FIFTY YEARS OF BANKING EDUCATION

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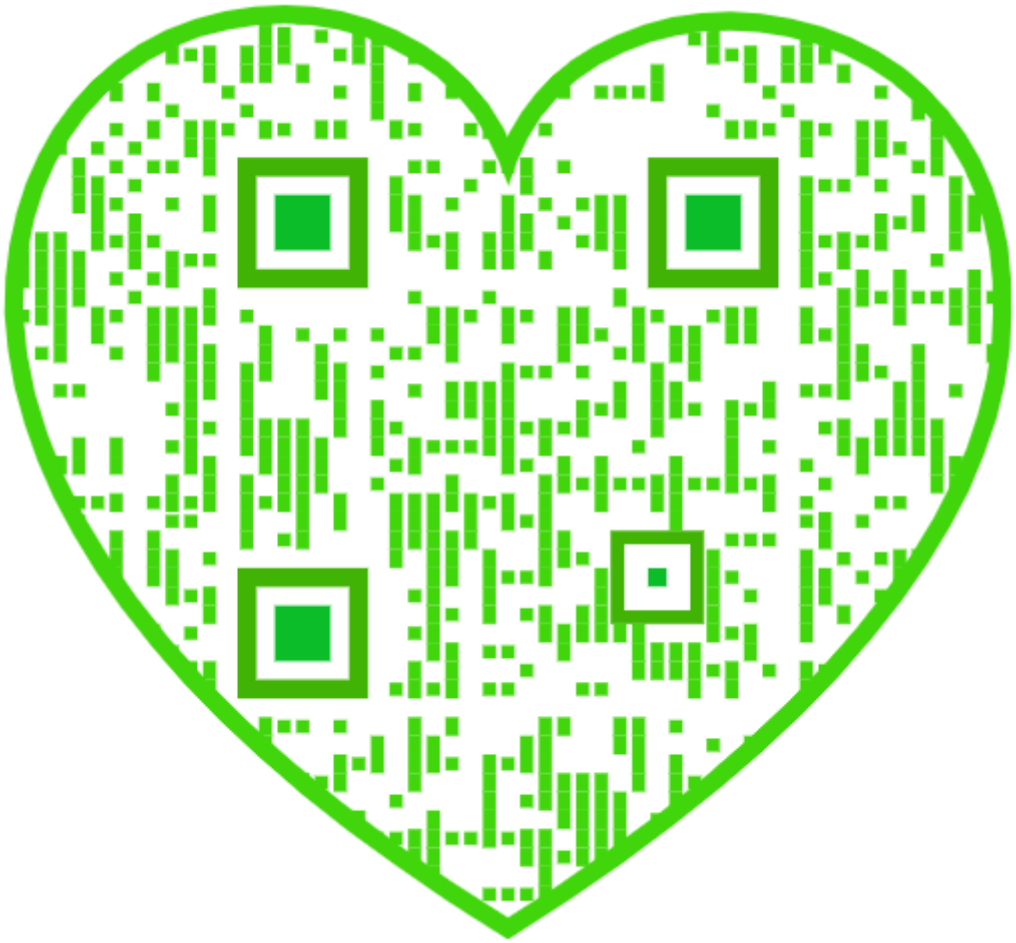

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History of the American Institute of Banking

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HISTORY OF THE AMERICAN INSTITUTE OF BANKING

RICHARD W. HILL AND MARION TURNER

American Institute of Banking
Section American Bankers Association

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Preface

THE American Institute of Banking was one of the pioneers in the field of adult education for business. It has been in continuous operation for almost half a century, and its work has been so successful that prominent educators have paid high tribute to it, as have leaders in other lines of business and industry. Its contribution to chartered banking needs no comment here.

Because of the Institute's contribution to the successful development of business education for adults, it seems fitting that a record of its organization and operation should be made. With that object in mind the Executive Council, at its midwinter meeting in January 1945, authorized the publication of this history. The task of assembling the necessary material and preparing it for publication was delegated jointly to Richard W. Hill, retired national secretary, and to Marion Turner, assistant to the educational director. Under the original plan Mr. Hill was to be responsible for the record of developments along administrative lines, while Miss Turner was to give her attention to educational developments.

After assembling the basic material covering his phase of the work for the period from 1900 to 1940, Mr. Hill unfortunately passed away in January 1947. Miss Turner was then given full responsibility for completing the research, writing the manuscript, and preparing it for publication. This volume is eloquent testimony to the thoroughgoing character of her work.

In addition to searching the official records, the authors corresponded with a number of Institute pioneers in an effort to supplement the available material with first-hand information from some of those who played a prominent part in the early history of the organization. Their reminiscences and suggestions have been most helpful, and to them the Institute gratefully acknowledges its debt.

The Institute is also indebted to Dr. William A. Irwin, former national educational director, for the preparation of basic material covering the decade 1937-1947, the period of his tenure of office, for the writing of a large part of the last four chapters, for reviewing the completed manuscript, and for many valuable suggestions.

The American Bankers Association takes pride in the presentation of this history of its educational section, the American Institute of Banking.

HAROLD STONIER, *Executive Manager*
American Bankers Association

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FIFTY YEARS OF BANKING EDUCATION

History of the American Institute of Banking

I

Birth of the Institute Idea

THERE is an old adage that "coming events cast their shadows before," which is but another way of saying that events are the materialization of ideas. Frequently an idea and its materialization emerge out of the necessity of the times. This clearly was true of the movement for the education of bank clerks that began in the United States shortly before the dawn of the twentieth century.

The last three decades of the nineteenth century set the stage for the development of the institute idea. It was a period of feverish economic expansion, with American inventive genius coming into full blossom. Continued westward migration, railroad expansion, the development of telegraphic and telephonic communication, commercial and industrial growth, the application of electric power to factory wheels, the growth of markets both at home and abroad, and the emergence of the giant corporation were rapidly transforming the American economy. Production was increasing by leaps and bounds, and before the close of the century there were those who were predicting that New York would displace London as the world's greatest clearing house.

This transformation had a tremendous effect on banking. Accelerated trade and commerce was increasing the volume of checks, drafts, and other credit instruments, thus necessitating improved methods of clearing and transfer. The demand for commercial loans called for the development of acceptable credit principles and practices. An unsettled currency and monetary system was calling for improvement. And in keeping with the

American ideal, there had arisen the need for the breaking down of a certain class distinction that had grown up between the banker and the so-called "bank clerk," a distinction that broadened like a yawning gap as the volume of banking transactions and the size of the working force increased.

No one was more conscious of this situation than the bank clerk himself. He was well trained to perform his clerical duties but, as a rule, had very little knowledge of the theory of finance, the principles of economics, and the fundamentals of law. If he was not content to "stay in a groove," he knew that he needed a broader background of knowledge than he possessed. Hence, if ambitious, he was usually discontented too.

Some bankers were aware of existing conditions. Some were conscious of the importance of the clerks in the banking system and of the necessity of having them better educated. Some even realized the wisdom of breaking down the dividing line between themselves and their clerks. The problem that this situation created, its coming to a head, and the development that gave impetus to the change in relationship between the banker and his clerk is the subject of the early part of this story.

Before the bankers had formulated any plan for dealing with the working force, a way to solve the problem unexpectedly presented itself. The fact that the movement to improve their lot came from the clerks themselves was most significant. It was an attempt to raise the level of their efficiency through *education*. Therein lay the strength of the institute idea which gained force with the passing of time.

The first indication of a desire on the part of bank clerks to band together for their common good educationally came in the city of Minneapolis in the year 1898. Joseph Chapman Jr., at that time a note teller in the Northwestern National Bank, had

First Study Course for Bank Clerks

taken two courses in law while attending the University of Minnesota. He found his recently acquired knowledge of the principles of commercial law of such practical value in connection with his work of handling notes and other financial instruments that he decided to sound out his fellow clerks on the idea of taking up the same study. Hence he called nineteen men in the bank together and explained his plan. Eighteen indicated an interest in taking the course. Chapman then suggested that they invite the clerks in the other banks to join in the enterprise, and a class of about thirty was formed. They secured the services of one of the university law professors to conduct the course and were so well pleased with the results of their first year's work that they decided to continue their studies the next year. But before they were ready to start off again, they learned that "something big and helpful in an educational way" was brewing.

Beginning of Banking Education Movement

Though there is no doubt that the young men in Minneapolis had the distinction of organizing the first study group for bank clerks on the institute plan in America, to the bank clerks of Buffalo and Louisville goes the credit for setting in motion the forces that led to the development of the institute idea on a national scale. Who they were, the records do not reveal.

But the records do reveal that the "bank clerks of these two cities, having discovered through their correspondence with each other that there was a surprising amount of ignorance with respect to even simple matters of local banking practice," presented a petition to the American Bankers Association asking that an institute of bankers be founded which would offer "facilities for study and training similar to those afforded" by the bankers' institutes in operation in England and Scotland. This petition was discussed by the Executive Council of the A. B. A. at a meeting held in New York City on March 15, 1899 and was

referred to its Committee on Education for study and report at the next meeting.

At the Association's convention in Cleveland, Ohio in September of that year, the Committee on Education presented its report, which opened with the following paragraphs giving the details of the petition.

Report of Committee on Education at Cleveland Convention

Your committee, by direction of the Council, has had turned over to it the petition of a large number of bank clerks in Louisville and Buffalo, requesting the Association to form an Institute of Bankers, similar to the one in very successful operation in England. The request, which is voluminously signed, is as follows:

"We, the undersigned bank clerks, desiring a higher development of banking as a profession in this country and enlarged facilities for its thorough study, respectfully show the American Bankers Association:

"That there is not in this country at the present time an Institute of Bankers, nor any sufficient means for securing an education in the profession of banking, available to all those desiring such an education.

"That banking is not practised as a profession in this country as it should be.

"That much of the ill-will shown toward banks arises from ignorance of their economic value and true function.

"That with the facilities for special training in banking and finance, and the laws relating thereto, the standard of the profession will be greatly raised, banks conducted upon safer and more scientific principles, and the people in general better informed and in harmony with an institution which is so essential to the business of the country. This will lead to more economic and scientific banking and currency laws, and we may hope some time to lead other countries in our financial system, instead of to follow.

"Believing that the future of banking in this country demands better training than it is now possible for bankers to acquire and with the desire on our part to use all available means which our circumstances will permit for qualifying ourselves for our profession, we, therefore, respectfully petition that the American Bankers Association will father a movement toward the founding of an institute of American bankers, opening to us, and to all in this country who follow our profession,

the facilities for study and training similar to those afforded in England and Scotland, and elsewhere, and which shall be adequate to our needs, and an honor to our country and the American Bankers Association."

The report then set forth the result of the committee's inquiry into the operations of the Institute of Bankers in London, expressed the opinion that "the formation of an Institute of American Bankers on these lines should be a comparatively easy matter," and asked whether it was the Association's wish "to have preliminary steps taken under direction of the Executive Council with reference to forming such an Institute of Bankers in the United States."

The members of the Committee on Education who signed the report were: William C. Cornwell (chairman), City National Bank, Buffalo, New York; Robert J. Lowry, Lowry National Bank, Atlanta, Georgia; Harvey J. Hollister, Old National Bank, Grand Rapids, Michigan.

With the report the committee submitted an outline of the objects and work of the British Institute of Bankers, together with the names of its executive officers, trustees, and council.

Impressed with the findings of the committee, the convention adopted the following resolutions:

Resolved, That the committee be continued in office and the work continued as heretofore.

Resolved, That the Committee on Education present to the Executive Council a plan for preliminary steps in the formation of an Institute of Bankers in connection with this Association.

Joseph Chapman Learns of A.B.A. Plans

Joseph Chapman Jr. attended the Cleveland convention and heard the report of the Committee on Education. Though not a banker, in the sense of the term as it was used at that time, he was nevertheless a duly accredited delegate. "The officers of the Northwestern Bank were either ill or away on vacations," he

explained, "so I was asked to represent them although I was only the note teller of the bank." Chapman became so much interested in the idea of an institute for the education of bank clerks that on his return to Minneapolis he "agitated the matter among his fellow clerks." Later in the fall he wrote to the Committee on Education asking whether the Association was ready to act, but not receiving a definite reply, he decided to go ahead with plans for a local organization.

Minneapolis Bank Clerks' Association Organized

A call was issued to all the bank clerks in Minneapolis for a preliminary meeting to be held on December 12 to consider the desirability of forming an association for purposes of education. About seventy clerks attended the meeting. After a thorough discussion it was agreed that such an association should be formed, and a committee was appointed to draw up a constitution and by-laws. Formal organization took place a week later. Thus the Minneapolis Bank Clerks' Association—the first of its kind in the country—came into existence on December 19, 1899. About sixty-five signed up as members.

At the organization meeting the following were elected officers: Joseph Chapman Jr., president; Seymour S. Cook, vice president; William Hempstead, secretary; and H. P. Newcomb, treasurer. The constitution made provision for an executive committee consisting of the four officers and three other members. The other members of the first executive committee were F. E. Holton, Alex. Bore, and O. M. Green.

A course on commercial paper was selected for the first year's work, and Professor James Paige of the University of Minnesota Law School was engaged to conduct it. From the first of January to the middle of April "meetings were held every Saturday evening in a hall rented from a business college centrally located in the downtown district." Average attendance was between

forty and fifty. The class took a written examination on April 14, 1900. The completion of the season's work was celebrated by a banquet, to which the officers and directors of the local banks were invited, and "for the first time bankers and employees met on a social footing." The principal speaker of the evening was Professor J. Laurence Laughlin of the University of Chicago. His subject was Three Decades of Monetary Legislation.

There is no question that the Minneapolis Bank Clerks' Association was looked upon as a model for the chapters later organized under the direction of the Committee on Education. Therefore it is pertinent to make note of some of the more significant features of this pioneer in the cause of banking education.

The simple constitution, to quote Seymour S. Cook, "although not limiting the activity of the association, provided that the organization was primarily for purposes of education." The executive committee "was given almost unlimited power. It had authority to pass upon applications for membership, determine time and place of meetings, studies to be pursued, select lecturers, etc. The success or failure of the association therefore lay largely with the executive committee, and the association, realizing this, took great care in the selection of its members, choosing not the most skilful paying tellers, the most experienced bookkeepers nor the men who might be most popular personally, but those who seemed by temperament and experience likely to give the affairs of the association the benefit of good judgment and conscientious attention."

Commenting on the by-laws of the association, Joseph Chapman said: "I insisted on one that prohibited any officer of a bank from holding an elective office in the association, as I wanted the boys to get the benefit of executive experience obtained through actually managing and planning the educational

work of the association. Thus I was automatically eliminated as an officer by my appointment as assistant cashier of the Northwestern National Bank that same year."

A few of the bankers in Minneapolis were not completely in sympathy with what the clerks were trying to do along educational lines. "At the end of the first year's work," remarked Mr. Chapman, "the president of one of the largest banks in Minneapolis called me to his office and said that the association would be a failure unless we turned it into a social organization and that if I would consent to do so he would raise money from the banks and we could hire rooms and have a social club. He said that the boys would not study nights after working all day. I told him I would not do that. I told him also that he was looking at the proposition from the standpoint of a man who had arrived, while I was looking at it from the standpoint of the boys who were willing to work in order that they too might arrive."

Joseph Chapman Invited To Help Committee on Education

After the close of the first year's course, Joseph Chapman wrote to William C. Cornwell, chairman of the Committee on Education, telling him what had been done in Minneapolis and enclosing a copy of the examination in commercial paper that had been taken on April 14. He wrote to Mr. Cornwell again in the fall briefly outlining the plans of the Minneapolis Bank Clerks' Association for the coming season. Mr. Cornwell apparently was very much impressed. "He wired me on receipt of my letter," said Chapman, "asking me to meet him and his committee at the Illinois Bankers Convention, which was to be held in Rockford, Illinois, in the near future. They were sold on the idea of a bank clerks' institute and invited me to be their executive secretary and organize chapters in the larger cities of the country. I told them I did not want to leave the banking business but would assist them in every way I could otherwise."

When the Committee on Education's institute of bank clerks finally got under way in the spring of 1901, the Minneapolis Bank Clerks' Association soon joined the organization as Minneapolis Chapter. And Joseph Chapman, who remained an ardent supporter of the American Institute of Banking throughout his entire life, was often referred to as the father of the Institute. There appears to have been a difference of opinion on this point, however, for D. C. Wills, in an article written in 1919, made the statement that "the Institute possessed as many fathers as the Federal Reserve Act." Nevertheless, it may be stated unequivocally that Joseph Chapman was the father of the Institute *idea*. Of this there is not the slightest doubt.

II

The Idea Takes Root—and Grows

IMMEDIATELY following the Cleveland convention of the American Bankers Association, the Committee on Education continued its study of the need for broader knowledge on the part of bank clerks and of their desire for further education. The members of the committee considered all phases of the subject carefully and satisfied themselves that there existed both the need and the desire. Their findings were expressed as follows:

> As never before there is required in every branch of business the most thorough training, scientific and technical, for the attainment of success under the intense competition that prevails.
>
> In no business is this truer, perhaps, than in the business of banking in this country, a country which is reaching out through its tremendous export increase for the business of the world.
>
> There is abundant evidence that the young men who are doing the clerical work in banks in the United States are anxious to avail themselves of any and all knowledge and training which will help them to do their work better and more intelligently.
>
> There is no way provided by which this can be done.

Having decided that the formation of an institute for bank clerks was feasible, the committee proceeded to prepare a plan for presentation to the Executive Council, in accordance with the mandate of the Cleveland convention. Early in the year 1900, A. O. Kittredge, president of the Account, Audit & Assurance Co., Ltd., one of the more prominent accounting concerns in New York City, was asked "to take up the matter carefully and prepare suggestions on the subject of a Bank Clerks' Association for the whole country." The committee also obtained from some

of the banks suggestions as to practical subjects to be covered in the courses of the proposed institute.

In view of the vast amount of work involved in these preliminaries, the Executive Council deemed it advisable to increase the size of the committee. At a meeting on April 26, 1900, therefore, the chairman of the council named two additional members: J. B. Finley and George F. Orde. The personnel of the committee then was as follows:

William C. Cornwell (chairman), City National Bank, Buffalo
Robert J. Lowry, Lowry National Bank, Atlanta
Harvey J. Hollister, Old National Bank, Grand Rapids
J. B. Finley, Fifth National Bank, Pittsburgh
George F. Orde, Northern Trust Company Bank, Chicago

Report of Committee on Education at Richmond Convention

By the time of the Richmond convention the following October, the Committee on Education, with the assistance of Mr. Kittredge, had formulated a well thought-out plan for the organization of a national institute with a chain of branch associations, or chapters. A comprehensive report of its investigations and conclusions, prepared in pamphlet form, was presented first to the Executive Council on October 1 and then to the convention at its opening session on October 2.

Informal Report

The chairman of the committee, William C. Cornwell, made an informal supplementary report in which he referred to the petitions received "from hundreds of clerks asking for the establishment of an institute of banking" and to the fact that the bank clerks of Minneapolis had formed an association of their own and were studying practical subjects that helped them in their daily work. He called attention to a letter which one of the leading banking journals had recently received from a clerk in a large southern bank, reading in part as follows:

It is my endeavor to get an insight into the many financial questions the mastery of which is so essential to a successful career. ✓ ✓ ✓ ✓

My position is such that I am unable to take one of the courses that have been established in some of our universities, but desire to take advantage of any opportunity within my reach which will better fit me for my life work.

Is the Educational Committee of the American Bankers Association doing any missionary work in this direction? Would an application to the committee be productive of beneficial results?

The committee chairman then commented on an examination system that had been devised by the Seaboard National Bank of New York for the training of its clerks and he called upon John F. Thompson, cashier of the bank, to explain how the system operated, "because," said Mr. Cornwell, "I am here today to get this Convention to inaugurate something of this kind all over the United States."

Examination System of Seaboard National Bank

Mr. Thompson explained that the Seaboard's examination consisted of a series of 60 to 65 questions on banking, some of them simple and some quite difficult, which the clerks were required to answer, the purpose of the examination being "to bring out the present attainments of our clerks in banking matters and to develop the spirit of inquiry."

The result of the examination system, he said, "is to make them studious and thoughtful; they realize the possibilities before them, and that their future depends entirely upon themselves. In fact, we have made it very plain to them that hereafter the old principle that promotions shall depend upon length of service will be dispensed with in our bank, but that instead there shall obtain the broader principle which is the fundamental principle of all nature, namely, that of the survival of the fittest. The man who is all around the most capable may expect promotion as soon as a vacancy occurs. Our young men appreciate this fact and are studying to fit themselves for anything that may offer."

✓ ✓ ✓ ✓

A Plan for a Representative Government

Continuing his informal report, Mr. Cornwell outlined a plan for the formation of local chapters and then said: "I have here a set of by-laws and everything prepared for a national institute of bank clerks; and after these chapters were formed, at the end of the season they would elect delegates to a central convention; and at that convention they would elect a national secretary, a president and treasurer, and also a council of ten or fifteen, which would govern the association. The clerks would pay dues, a part of which would go to the local branch and a part to the national. I feel very certain from the interest taken in the subject that in one year the system would be supporting itself."

Formal Report

The formal report, which elaborated on the matters covered by the chairman in his informal remarks, clearly stated the opinion of the committee as to the practicability of forming an institute of bank clerks.

> There is no question that the formation of a chain of Bank Clerks' Associations throughout the United States is perfectly feasible, and that, conducted on proper lines, it will do a vast amount of good, that after the first year or so it can be made entirely self-supporting, and that, if it is not done by some such body as the American Bankers Association, the work will go on as in Minneapolis, spontaneously, but in spots, and no such general and immediate good results will be obtained as by complete organization.

The report, signed by the five members of the committee, concluded with this challenge to the convention:

> Here, then, is a work of the most practical character squarely in line with the aims of the American Bankers Association, entirely feasible, involving no large outlay of money, and calculated, if successfully conducted, to do an amount of good which cannot be measured and which will influence favorably the lives and fortunes of hundreds of young men who are growing up in our banks. They themselves have appealed to you through your committee for encouragement and guidance. It is a cry out of Macedonia.

These are the men behind the guns. Will you train them as they ask, so that their work may be doubly effective? Or will you neglect them, abandon them to their own efforts and let the service drift along half disciplined, and yourselves take the consequences of continuing to conduct your campaign with an untrained army?

Kittredge's Blueprint for an Institute of Bank Clerks

The suggestions which A. O. Kittredge had been asked to prepare were appended to the formal report of the Committee on Education. First of all, he proposed "starting something which, while fostered by the American Bankers Association, still shall be independent of it in organization and government, and in a measure self-sustaining." He then pointed out the fact that certain variations from the plan of the British Institute of Bankers would be necessary to adapt the organization to the greater extent of territory in the United States and to conditions that differ materially from those in Great Britain. The highlights of his suggestions follow.

Organization

It would seem from a glance at what has been accomplished in other directions, somewhat analogous in features, that a national body (The Institute) composed of chapters (New York Chapter, Albany Chapter, Buffalo Chapter, etc.) would be a desirable plan. The national body would have executive officers, chairman, treasurer, secretary, etc., and an executive committee. A congress of the institute, to which delegates would be sent by the different chapters, upon a fixed basis of representation, would be the legislative body, to assemble annually or biennially. The congress would elect the (national) executive officers, including the executive committee.

The individual chapters in organization would all conform to an established model and would hold meetings, conduct courses of study, maintain lecture courses, etc., all under the general direction and advice of the national officers, thus securing uniformity of work. Each chapter would have its own headquarters, a reading room, library, etc., and its own corps of officers.

Annual dues, arranged on a sliding scale to meet varying conditions, ranging from the patron classes (contributing members or guarantors, like banks and bankers) down through the ranks, cashiers, tellers,

bookkeepers, messengers, clerks, etc., would be collected by the chapters, and a yearly per capita tax paid into the national treasury.

Correspondence Instruction

One of the educational forces of the day, that is revealed by many movements that might be cited by way of illustration, is instruction through the medium of correspondence. A number of very large and financially prosperous, as well as educationally successful organizations, have been built up the last few years upon this plan. Several of them have already obtained legal recognition, and the diplomas and degrees conferred upon the students in these schools are now everywhere recognized. It would seem possible, therefore, to organize a bank employes' institute, based in part upon the scheme of the British organization, and yet administered upon plans more in keeping with the spirit of the age and better adapted to the special requirements of this country.

Lecture Courses

To be of the greatest good to the greatest number, it would seem that such lectures as would form an appropriate part of the educational work of the organization ought not to be confined to any one single centre, but, instead, should be delivered at many different points simultaneously or by the same speaker visiting in succession one city after another. Lectures, however, are more likely to be features of mere entertainment than of actual education and training.

To listen to a lecture or an address, no matter how full it may be of valuable information, is not worth nearly so much to the student of a given subject as actual participation in the preparation of statements relating to that subject. Therefore the thought occurs that the lecture courses to be conducted in different parts of the country during each winter season might be contributed to by local talent, while at the same time given an official flavor by the presence at different dates of regular institute lecturers. The scope of the course would be laid out by the proper official or committee of the institute. A definite plan of work would be outlined for the time that could be devoted to it. Then correspondence with local bankers, lawyers, judges and such other experts as the community might happen to have would discover what parts could be successfully sustained outside of the regular institute lecturers. The latter would undertake such parts as might be necessary or expedient.

No banker or business man is as fully equipped for the higher responsibilities of his calling as he ought to be who is not able on occasion to express himself freely and forcibly in a meeting. In turn, no

Public Speaking, Debating, and Essay Writing

one is up to date in accomplishments who is not able to put his ideas upon paper in a way to correctly state his position to his associates and leave behind him a record not likely to be misunderstood. Training, therefore, in public speaking and in debate, and training in essay writing, would seem to be appropriate parts of the institute's work.

These suggestions are to be taken, not as advising courses in "oratory," "English composition," "rhetoric," etc., but instead, as favoring the plan of employing public speaking, debating and essay writing as means of drawing out of the student what is in him, as incentives to study and investigation, and last, but not least, as a part of the training which helps bright minds to the position of leadership.

Official Journal

The British Institute maintains an official journal, and there would seem to be good reason why such a potent factor for good should be provided for in whatever is done in this country. The question will at once arise, however: Why add another periodical to the many thousands that are already in existence? Why add another journal to the long list of those nominally in the interest of banking, finance, banking law, political economy, etc., which are being published at the present time? The answer to these questions is that there is nothing now in existence that is published for any better purpose than the pecuniary gain of the proprietors. What is wanted instead is a journal published in the interest of education, without regard to the patronage which its advertising pages may carry. Whoever is a member of the institute would want a reminder from time to time of his membership, and some evidence of the good that is to come to him for the annual dues that he is expected to pay. A journal, official in character, with its circulation confined to the members of the institute, therefore, would seem to be a feature that ought not to be overlooked.

Prizes

Education, as already remarked, is not so much in what a man sees, hears or reads as it is in what is drawn out of him. Therefore, prizes for essays, for original investigations or for special pieces of work pertaining to bank routine would seem to be a feature that should not be overlooked. Banking is not a single proposition. There are various kinds of banking or various divisions within the general field of banking. There are specialists in banking. These facts serve to indicate, without argument, how a system of prizes might be made of great advantage.

* * * *

Finance, practical banking, business science, commercial law, bank

Subjects for Study

accounting, bank bookkeeping, banking routine, etc., would seem to be appropriate subjects for study, first, because facilities for acquiring knowledge in these lines are lacking, and, second, because a certificate or diploma given on completing such a course would have a money value in securing a position.

The ends to be served are not a general education, but special and specific training in different branches of a stated business, in a way to advance the interests of that business, and also to make the student a more reliable, more able and more intelligent helper in the conduct of that business.

Banking today is without a satisfactory literature or textbooks for use in conducting such courses of study as are appropriate to the plan under consideration, and therefore a part of the work of the institute might be in collating, arranging and publishing the lectures and essays which, in the course of time, the movement would call out.

In addition to Mr. Kittredge's suggestions, the following material was appended to the report of the Committee on Education: a copy of the examination in commercial paper which the members of the Minneapolis Bank Clerks' Association had taken at the conclusion of their first year's work, a copy of the examination questions in force at the Seaboard National Bank, and a copy of a memorandum that another bank had sent to each of its departments to obtain suggestions for subjects to be included in the study courses of the proposed institute.

Institute Authorized

The report of the Committee on Education was received by the convention with warm approval, and James G. Cannon of New York offered the following resolution:

Resolved, That it is the sense of this convention that the Executive Council should authorize the Committee on Education to organize an institute of bank clerks, for the bank clerks of the United States, appropriating such an amount as will be necessary to inaugurate and operate such institute for the first year, not exceeding ten thousand dollars.

At a meeting of the Executive Council held immediately following the close of the convention on October 4, the Committee

on Education was given authority to proceed with the organization work, and the necessary funds were appropriated in accordance with the recommendation of the convention. Thus the institute of bank clerks, the first educational organization national in scope to be inaugurated at the instigation of those who were to be educated, saw the light of day in the Old Dominion State on October 4, 1900.

The authorization of this organization marked the beginning of the first successful venture of the American Bankers Association in the broad field of education, but it was not the Association's first educational project.

Other Ventures of A.B.A. in Field of Education

In 1889, having been made aware of the success that was being achieved by the Wharton School of Finance and Economy, a recently established branch of the University of Pennsylvania, the Association became interested in promoting the establishment of facilities for the education of business men. Members of the Executive Council were of the opinion that much good would result for the country as a whole, and for the future of banking in particular, if the Wharton School idea of training for business life could be extended through the founding of schools of finance and economy by other institutions of higher learning. In 1890, therefore, the Association entered upon a program for encouraging and promoting the organization of such schools. A pamphlet entitled Education of Business Men was prepared and mailed to all banks, to leading newspapers and journals, and to the universities and colleges of the country. Much interest in the Wharton School idea was aroused, and many colleges and universities indicated a desire to establish similar schools provided the necessary endowments were forthcoming. One department of finance and economy was, in fact, established as a direct result of the Association's efforts.

Education of Business Men

In 1892 the Association commissioned Professor Edmund J. James of the Wharton School to make a study of the facilities for the education of business men both in this country and abroad. Professor James made an exhaustive analysis of the subject and spent several months in Europe studying the educational systems of the most important countries on the Continent and in Great Britain. His report at the September 1892 convention of the Association was not particularly encouraging, however. He stated that nothing in the way of education for business careers was being done abroad beyond commercial high schools, because of the prevailing idea that business was "a lower and more unworthy calling than the professions or the public service" and that business men did not need a higher education.

As for this country, Professor James reported that the majority of business men were not interested in a college education and many were even opposed to it. Therefore, because of the apathy of business men themselves toward the idea and the seeming impossibility, at that time, of interesting men of wealth in endowing schools of finance and economy, the American Bankers Association reluctantly abandoned its efforts to promote the education of business men.

In his report to the convention, Professor James apparently overlooked the Institute of Bankers that had been in operation in England since 1879 and a similar institute in Scotland, or he may have assumed that the bankers of the United States were already familiar with the work of these organizations. But he closed his report with a suggestion that must have been of considerable interest to the bankers of the day.

> There is a still nearer work for this Association. I have received during the last few years many letters from bank employees in all sections of the country asking for advice and assistance in making a thorough

study of banking and financial questions. As they found it impossible to leave their positions, they wished to be taught by correspondence. The perfection of our methods of instruction now allows us to accomplish very good results by means of correspondence.

It seems to me a perfectly feasible thing for this Association to undertake to promote the cause of financial education among the bank employees of the country by authorizing its Committee on this subject to conduct such courses of instruction under its auspices. A scheme of reading and study could be worked out, examinations could be held and certificates granted. Small fees might be charged each student, which would assist in defraying the expenses of the instruction; and the deficit, if there should be one, could be met by this Association. In this way for a small annual sum your Association might set to work and keep going an educational instrumentality whose influence would be felt in every part of this country.

It is possible that the American Bankers Association would have turned its attention to the education of bank personnel immediately if it had not been deterred by circumstances beyond its control. About the time the Association decided to abandon its efforts to promote the education of business men within the universities, the panic of 1893 hit the country almost with the force of a tornado, and business was prostrate for the next few years. The bankers were fully occupied with trying to keep their institutions solvent and had little time for educational projects of any kind.

Public Education

During this period, as usually happens in times of stress, prejudice against banks on the part of the public flared into prominence and bankers were blamed for all the ills that befell the country. The bankers realized that most of the hostility arose from ignorance of the functions of banks. Therefore, when prosperity was again on the way, the Association's Executive Council, at a meeting in April 1897, appointed a Committee on Education (or Bureau of Education or Committee on Uses of

Banks, as it was variously called) consisting of William C. Cornwell, Robert J. Lowry, and Harvey J. Hollister. The committee prepared a pamphlet What Is a Bank? for wide circulation throughout the country. This pamphlet was enthusiastically received by the banks, and at the 1898 convention the chairman reported that 1,250,000 copies had been distributed.

In the meantime, with the return of prosperity, the hostility of the public toward the banks had practically disappeared. Hence the Executive Council, in March 1898, adopted a resolution to the effect that further efforts in popular education be postponed to some future time. The Committee on Education was continued in office, however, for the purpose of filling orders from banks that were willing to pay for the privilege of distributing the pamphlet, and during the next two years about 400,000 additional copies were sent out.

The public education work for which the Committee on Education was originally appointed was the first, though not the last, project in this field undertaken by the American Bankers Association. Many years were to elapse before the work was taken up again, and in the Association's second venture the American Institute of Banking was destined to play an important role.

III

American Institute of Bank Clerks

THE Committee on Education lost no time, after the adjournment of the Richmond convention, in setting about the task of organizing an institute of bank clerks. In their preliminary work, the committee members proceeded in a deliberate and conservative manner, "sacrificing nothing to haste at the expense of what was believed to be wisdom." Some little time necessarily was consumed in searching for a man competent to act as secretary of the Institute and in deciding upon the most advantageous form of organization.

The Account, Audit & Assurance Co., Ltd., submitted a proposition accompanied by a tentative outline of organization and suggestions for divisions of work to be undertaken. This proposition was discussed thoroughly by the committee at an organization meeting held at the Waldorf-Astoria Hotel, New York, on February 15, 1901 and was accepted. By the terms of the contract that was entered into, the president of the company, A. O. Kittredge, became the secretary of the Institute with the authority of general manager, and other members of the company's staff and its office facilities were to be used for the purposes of the Institute to an extent mutually agreed upon.

A membership association, named the American Institute of Bank Clerks, was organized under the laws of the state of New York. A constitution and a set of by-laws were prepared and adopted, and trustees and officers were elected.

The committee intended that the organization thus effected would be temporary in character and would be superseded by an educational corporation, preferably under the authority of

Form of Organization

the Regents of the University of the State of New York. Later, on the advice of counsel, it was learned that the proposed corporate form could not be effected legally; hence the form of organization remained the same as that originally adopted—a voluntary membership association.

Original Board of Trustees

Acting under the authority vested in them by the resolutions of the Richmond convention and of the Executive Council, the members of the Committee on Education named the original Board of Trustees and elected the first officers of the Institute. The original trustees, with their terms of office, were as follows:

Terms to expire March 1, 1904	
William C. Cornwell	Buffalo, New York
Robert J. Lowry	Atlanta, Georgia
Harvey J. Hollister	Grand Rapids, Michigan
Terms to expire March 1, 1903	
J. B. Finley	Pittsburgh, Pennsylvania
George F. Orde	Chicago, Illinois
James G. Cannon	New York, N. Y.
Terms to expire March 1, 1902	
A. C. Anderson	St. Paul, Minnesota
H. L. Burrage	Boston, Massachusetts
John F. Thompson	New York, N. Y.

It will be seen that the trustees elected to serve the longest terms were the five members of the Committee on Education, with James G. Cannon making the sixth trustee in these groups. Anderson and Cannon had recently completed a three-year term of service on the Association's Executive Council, and Burrage was a present member of the council. The records do not indicate why these particular men were chosen to serve on the Board of Trustees, but Mr. Thompson undoubtedly was elected in recognition of the contribution he had made to the committee's work prior to and during the Richmond convention and because it was felt that his experience with the examination system

in force at the Seaboard National Bank would be of value to the Institute in developing its program.

First Officers

The following were elected officers for the first year:

William C. Cornwell	President
James G. Cannon	Treasurer
Anson O. Kittredge	Secretary and Dean

Soon afterward, acting under the authority granted in his contract with the Committee on Education, Mr. Kittredge added George E. Allen to his company's staff on a part-time basis and appointed him assistant secretary of the Institute.

Effective Organization Date

The constitution and by-laws of the American Institute of Bank Clerks, provisionally adopted at the organization meeting on February 15, were subsequently mailed to each trustee for signature. The signing was completed on March 23. Thus March 23, 1901 was the effective date of organization of the Institute. The constitution and by-laws originally adopted, together with amendments, are reproduced in Appendix I.

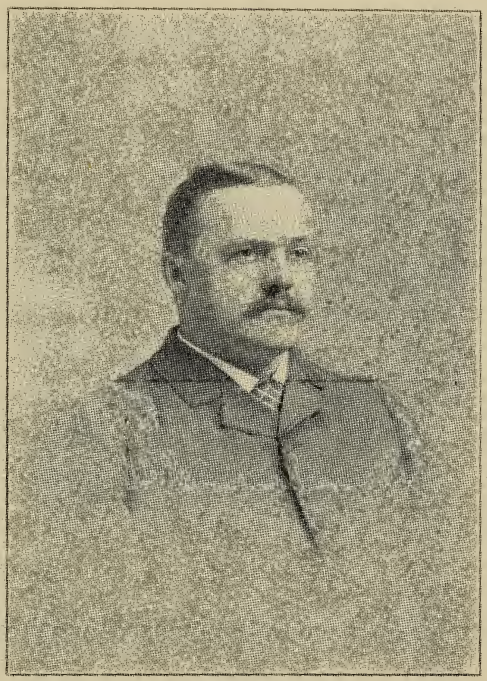
Constitution

The constitution, particularly, will bear careful analysis, for it unquestionably differed in some important respects from the governing rules the committee had drafted, or had in mind, prior to the Richmond convention. From Mr. Cornwell's report to the convention, it was clear that he, at least, contemplated that the Institute would be governed by the bank clerks themselves after the initial organization. But no provision for representative government was made in the constitution prepared and adopted at the meeting on February 15.

Sections one through nine set forth the usual details, including the aim of the Institute and the provisions for government, date of the annual meeting, election of officers, and appointment of an executive committee. Section ten contained the following provision with regard to membership:

Anson O. Kittredge

WHEN Anson O. Kittredge, president of the Account, Audit and Assurance Company, of New York City, and secretary of the American Institute of Bank Clerks, left his office on the 12th of January for a short business trip to Boston, his business associates who took leave of him little thought that he would never again return to his desk. Such, however, was the sad fact, for Mr. Kittredge, while at the Essex House, in Boston, was seized with a sudden and severe illness that terminated in his death in that city on the 23d of March. His loss comes as a great shock to all his friends and acquaintances, for he was in appearance the picture of health and the embodiment of nervous force and energy.



ANSON O. KITTREDGE

Those who knew Mr. Kittredge well, knew him to be an indefatigable worker, an eminently progressive man and one whose thought was often in advance of his time. Whatever the undertaking with which he was at the time associated, to the furthering of that undertaking he devoted himself body and mind. The term "working hours," as commonly accepted, meant nothing to Mr. Kittredge; all hours were working hours to him when he once became interested in a subject. Although considerate of others, he never spared himself, and it may be that this unselfishness helped to bring about his death at the comparatively early age of fifty-five. He was stricken down while on a business trip. If ever man died in harness, he did.

Anson O. Kittredge was born in Dayton, O., on February 19, 1848. His early struggle to obtain an education is typical of many successful Americans. He worked at odd jobs between whiles, cutting wood in the winter and picking berries in the summer, in order to earn money to pay for his schooling. At one time he acted as sexton in a church, and taught school when only seventeen, still keeping up his own studies.

He began his business life as bookkeeper in the stove foundry of Greer & King, in Dayton, O. While there he originated and constructed what was probably the first card ledger ever used. He left the stove foundry to form a partnership with a Mr. Klugle in the sheet metal business at Salem, O. The firm of Klugle & Kittredge was succeeded by Kittredge, Clark & Co., which firm was later incorporated as The Kittredge Cornice and Ornament Works. While with Kittredge, Clark & Co., Mr. Kittredge issued "The Manual of Sheet Metal Architectural Work," a paper-bound book of some seventy-five pages, containing specification of materials, construction of workmanship, tables of sizes and weights and prices of materials, rules and directions for estimates and measurements, tables of various sorts of tin roofing, a glossary of architectural and technical terms in common use, etc.—the first comprehensive publication of the kind issued.

It is characteristic of the man that in the preface of this little book Mr. Kittredge said: "Appreciating the want of such a work felt by the trade and all interested in building, we have undertaken this publication—not, however, with any idea of speculation or direct profit from it. We look for our reward to the accomplishment of another object—the dissemination of accurate information respecting the class of work now in general use throughout the country and the establishment of a standard of prices for all in the trade."

We say that this is characteristic because much of Mr. Kittredge's most valuable work was given to the public at large at a price below the cost of production, with the idea of benefiting the class interested and not with the idea of pecuniary profit. And it is true that more money was made by outsiders through the adaptation of Mr. Kittredge's ideas than was made by the originator of these ideas. In 1874-78 he published "The Sheet Metal Builder," a journal circulating among manufacturers and dealers in sheet metal work, in which he continued the dissemination of accurate information among the trade, commenced in the booklet above described.

Mr. Kittredge went to New York in 1878 and sold "The Sheet Metal Builder" to David Williams,

Full Membership

TENTH. Those persons who shall sign this Constitution before the first meeting of the Board of Trustees shall constitute the original membership of the association and shall remain full members thereof, except as hereinafter provided.

Other suitable persons engaged in the banking business or connected therewith may be from time to time elected by the Board of Trustees to a full membership in the Institute, but the membership of the Institute shall never exceed twenty-five members.

Only the original members and those elected as full members of the Institute shall have the power of voting at the annual or special meetings of the Institute.

An analysis of this section shows that there were *nine* original members of the Institute (the members of the Board of Trustees elected by the Committee on Education), that additional members were to be elected by the Board of Trustees, and that a limit of twenty-five was placed on the total number of full members.

Section seven, providing for the date of the annual meeting of *members* of the Institute, stated that at such annual meeting "three Trustees shall be elected in the places of the class whose terms of office shall then expire, to hold office for three years." Thus the members elected the trustees, while the trustees elected the members and also the officers of the Institute.

Section eleven made provision for various classes of contributing members and for honorary members.

Local Chapters

Sections thirteen and fourteen provided for the organization of local associations of bank clerks to be known as chapters of the American Institute of Bank Clerks, prescribing certain requirements to be met, defining the status of chapter members, and providing for transfer of membership from one chapter to another. The following provisions are of particular interest:

Associates of the Institute

Every member of a Chapter so affiliated with the Institute, upon complying with the requirements of the Institute, shall be known as an Associate of the Institute.

Every member of a Chapter must be of good moral character and possess a fair rudimentary education.

Every member of every local Chapter affiliated with the Institute shall, in lieu of dues to the Institute, be required to subscribe to the official Bulletin of the Institute.

Report of Committee to A.B.A. Executive Council

William C. Cornwell, as chairman of the Committee on Education, prepared a report on the organization of the American Institute of Bank Clerks for presentation to the Executive Council of the American Bankers Association at its spring meeting on April 25, 1901, explaining that all the details necessary to effect the formal organization had been completed and giving a brief description of the work that had been done thus far. Accompanying the report were two exhibits—Exhibit A consisting of the constitution and by-laws and Exhibit B consisting of promotional material in the form of a circular for general distribution, together with a letter of transmittal and a sample application for registration blank. (The material in Exhibit B is described fully in the next chapter.)

Following the reading of the report by A. O. Kittredge, secretary of the Institute, considerable discussion took place relative to the future action of the committee in charge of this work. It was suggested that "an applicant should only be admitted to membership when recommended by a bank, banker, or trust company." The suggestion was put in the form of a motion, which was seconded and unanimously adopted.

This restriction, of course, applied to full members elected by the trustees, since members of chapters were designated associates and came under the jurisdiction of the local associations.

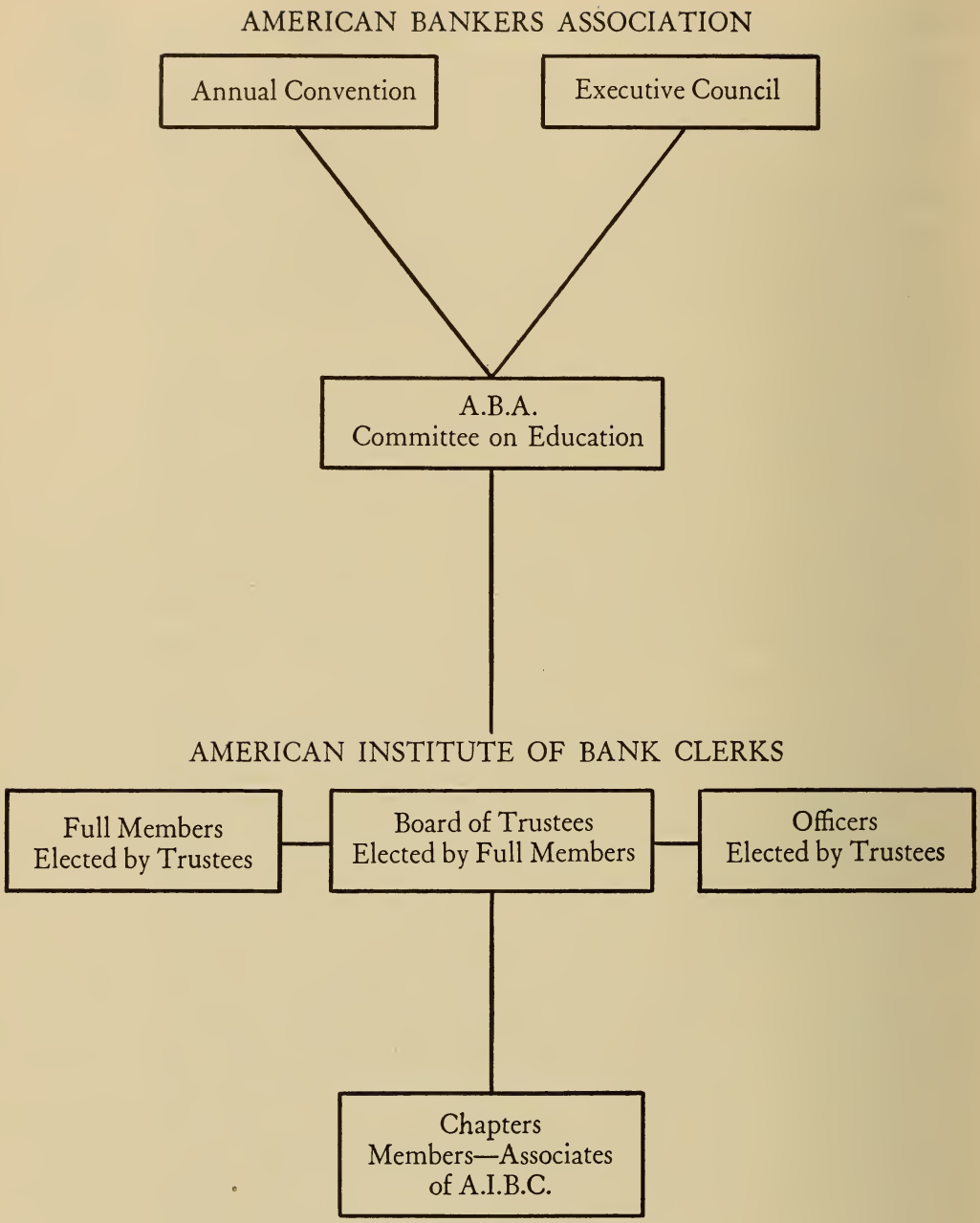
The original organization of the American Institute of Bank Clerks has been described as resembling a close corporation. Certainly it was a closely held, autocratic form of membership association. By the terms of the constitution, the nine signers auto-

matically formed the original membership and became the first Board of Trustees. After that, new full members were elected by the Board of Trustees, the trustees in turn were elected by the members, and the trustees elected the officers of the Institute from among their own group. As things worked out, the government for several years was in the hands of a self-perpetuating Board of Trustees, who elected new members principally as it became necessary to fill vacancies on the board caused by resignations.

Analysis of Structure of the Institute

There was also what might be termed an interlocking directorate arrangement between the initial management of the American Institute of Bank Clerks and the parent organization. Control over the early affairs of the Institute was retained by the Committee on Education through the election of its entire personnel to the original Board of Trustees. Moreover, throughout the formative period from 1901 to 1906 the committee was represented on the board by one or more of its members.

The original structure of this bank clerks' organization might even be said to have resembled a holding company arrangement as far as control was concerned. At the top of the pyramid was the American Bankers Association. Through its Executive Council and annual convention the line of authority passed to the Committee on Education and then to the Board of Trustees of the American Institute of Bank Clerks, a small intermediate governing body elected by a full membership of limited numbers. At the bottom of the pyramid were the chapters made up of bank clerks, who were merely associates of the Institute with no voting power and no voice whatever in its management until October 16, 1906. An organization chart of the A.I.B.C. during this early period would have appeared somewhat like that shown on the following page.



ORGANIZATION CHART OF THE A.I.B.C.

Why an Autocratic Form of Government?

A question that naturally arises in the mind of the reader is this: Why was Mr. Kittredge's plan for a form of organization not adopted, especially since it coincided with the idea of the committee as expressed by Mr. Cornwell in his informal report at Richmond? Between the close of the convention and the organization meeting on February 15, 1901, a damper must have been placed on the more enthusiastic members of the committee. George E. Allen went to the heart of the matter, in his brief history of the formation of the Institute, when he wrote:

> The president of the American Bankers Association when it voted to organize the Institute was Walker Hill, a banker of the conservative type. The Association Committee on Education originally consisted of three members. Mr. Hill was somewhat suspicious of their enthusiasm, and accordingly added to the committee two bankers of his own type, in order that the Institute might surely be conducted along lines safe and sane. The two committeemen thus appointed, however, turned out to be ardent supporters of the Institute proposition, to the temporary surprise but permanent satisfaction of the man who selected them.

Walker Hill, the Association president referred to, was president of the American Exchange Bank, St. Louis, Missouri. Being from Missouri, one might add, he "had to be shown." His two appointees were J. B. Finley and George F. Orde, who had been added to the personnel of the committee on April 26, 1900.

But aside from the matter of conservatism in the beginning, there was a financial consideration involved. The American Bankers Association had placed in the hands of the committee $10,000 to be used in organizing and operating the Institute during the first year. At a time when the membership of the Association consisted of only 4,500 banks out of a total of 10,382 then in existence in the country, this appropriation represented a charge of slightly more than $2 per member against the receipts from membership dues. It was natural to expect, there-

fore, that the committee would want to retain control over the expenditure of that sum.

Then too, as Mr. Cornwell indicated in his report to the convention in 1900, it was anticipated that the Institute would be both self-supporting and self-governing at the end of a year. Hence the form of government established in February 1901 was intended to be temporary, the idea being that as soon as the Institute was "on its feet and supporting itself," a new constitution would be adopted to provide for government by representatives of the local associations elected in annual convention.

That the government was not, in fact, turned over to the clerks after a year of operation seems to indicate two things: First, there was doubt as to the ability of the Institute to finance itself without assistance and, second, the committee and the trustees felt that the clerks were not yet ready for self-government. Thus the founding fathers decided to retain the original form of organization until such time as these two expectations showed promise of being fulfilled.

Was the Paternalism Good or Bad?

Whether this paternalism was good or bad for the organization is a question of only passing interest. One might as well ask whether it was good or bad for the original thirteen colonies to be governed by the mother country. If the colonies had been self-governing from the start, would there have emerged a *United States* of America? Thus one might conclude that it did the young Institute no harm to be tied to its paternal frock coat for six or seven years but that, on the contrary, the problems of self-government brought the bank clerks of the country together in a common cause and resulted in a degree of cohesion in the nation-wide organization not otherwise attainable. The efforts of the clerks to qualify themselves for taking over the active management of the Institute are detailed in subsequent chapters.

IV

Getting Under Way

THE first activity of the Account, Audit & Assurance Co., Ltd., under its contract with the Committee on Education, was the preparation of a prospectus describing the general plan of the Institute and outlining the courses of study that were to be offered. Within a few weeks following the organization meeting on February 15, 1901, this publicity circular was printed and ready for mailing to all national banks, state banks, trust companies, and savings institutions in the country. The mailing began on March 12 and by the time it was completed, a total of 100,000 copies had been sent out. Thus publicity regarding the Institute was in the mails even before the effective date of organization, March 23.

The prospectus was an eight-page folder, approximately 4 x 10, printed in green ink on cream-tinted paper, and was popularly referred to as the "green" circular. It set forth the objects and purposes of the Institute by quoting pertinent portions of the constitution. Next it described, in a general way, the Institute's plans for the practical education of bank clerks through three mediums: association in local chapters, Bulletin of the American Institute of Bank Clerks, and correspondence instruction. Then followed an outline of the sixteen courses of study that had been decided upon for the initial offering.

In presenting the educational opportunities afforded by the Institute, the circular carefully avoided the use of the word "members," although it clearly defined certain other terms.

> Those who avail themselves of the advantages of the American Institute of Bank Clerks will be of three general classes, as follows:—

ASSOCIATES—meaning those who are members of local chapters.

STUDENTS—meaning those who are taking one or more of the correspondence courses of study.

SUBSCRIBERS—meaning those who are subscribers to the BULLETIN OF THE AMERICAN INSTITUTE OF BANK CLERKS.

Associates and students are required to be of good moral character, and directly or indirectly connected with banking institutions. They are required to be subscribers to the BULLETIN because it contributes in a very important degree to the work upon which they engage.

Associates may or may not be students.

Students may or may not be associates.

Subscriptions to the BULLETIN will be received from those who are neither associates nor students.

The prospectus also gave particulars regarding registration and examination. It then set forth specific information about fees and dues and concluded with a statement headed "To Bank Employees," urging them to make use of the facilities of the American Institute of Bank Clerks.

Each circular in this initial mailing was accompanied by a letter of transmittal, dated March 12, 1901 and addressed "To the Cashier," requesting that the circular be brought to the attention of all employees of the institution. The letter was written on Institute stationery showing the names and addresses of the officers and of the trustees and giving the location of the general office, 25 Pine Street, New York; it was signed by William C. Cornwell as chairman of the Committee on Education, American Bankers Association, rather than as president of the American Institute of Bank Clerks, presumably for psychological reasons.

Several application for registration forms were attached to the letter of transmittal. Printed across each blank from lower left to upper right in large outline letters were the words INTRODUCTORY RATES.

The material contained in the circular, a copy of the letter of transmittal, and a copy of the application for registration form constitute Appendix II.

Threefold Nature of Educational Program

The program formulated by Mr. Kittredge and his staff and approved by the Committee on Education was of a *threefold* nature, each part designed to perform its special function in the practical education of bank clerks. The three distinctive but interdependent features of the general plan were (1) chapters of the Institute, (2) the Bulletin, and (3) the Correspondence School of Banking. Each is briefly described here as to its general purpose. The methods of operation and accomplishments of the three divisions are treated separately later in this story.

Chapters of the Institute

On the subject of chapters, the publicity circular had this to say: "The constitution of the American Institute of Bank Clerks provides that local chapters may be established wherever there are enough bank clerks desiring such association for mutual improvement to warrant it. The chapters will be chartered. Each chapter is permitted to make its own by-laws and administer its own affairs in any way it chooses, as long as they do not conflict with the constitution of the Institute. A model set of by-laws has been prepared and will be forwarded to any one desiring to examine the same." The suggested by-laws, which were subsequently published in several issues of the Bulletin beginning with June 15, 1901, appear in Appendix III.

An article in the June 1, 1901 issue of the Bulletin by George E. Allen, assistant secretary of the Institute, clearly set forth the purpose of local associations of bank clerks and indicated in a general way the kinds of educational activities in which they were expected to engage. "Chapters," he said, "are organizations in cities where ten or more clerks can be associated together for the purpose of maintaining a regular place of meeting in order

to listen to lectures and engage in debates and discussions on banking and kindred subjects. Chapters are similar in nature to literary societies in schools and colleges. Lectures are presumably given by local bankers, and in places where there is a college or school with a financial or economic department, it is usually advisable to obtain lectures by the professors. Good commercial lawyers are also available as lecturers. The work of the Institute as conducted in chapters is entirely separate and distinct from the work as conducted in the Correspondence School of Banking."

The Institute president, William C. Cornwell, made another point clear: "It is proposed that the secretary of the Institute shall exercise a general supervision over the chapters through occasional visits and by correspondence, and also through the medium of the Bulletin, the official publication of the Institute."

A. O. Kittredge, secretary of the Institute, added this thought: "While chapter work is done under the supervision of the officers of the Institute, it is expected that members will arrange the details of their programs, providing for lectures by local talent and conducting the affairs of their organizations in such manner as will best develop their own capacity for management and stimulate self-reliance."

Within three months following the official announcement of the organization of the American Institute of Bank Clerks, by means of the publicity circular, nine local associations of bank clerks, or chapters of the Institute, were in successful operation. President Cornwell stated that considerable interest in forming local chapters had been evidenced in twelve other cities, and he added: "At present it is not the policy of the Institute to encourage chapters in the smaller cities and towns."

The second feature of the threefold educational program de-

scribed in the publicity circular was the Bulletin of the American Institute of Bank Clerks, "a periodical (free from all advertising) through which much of the instruction and chapter work will be conducted. It will answer the practical questions proposed by associates and students. It will also present outlines of reading courses, suggestions of subjects for debates or discussion at chapter meetings, reports of university and other lectures on banking topics, special articles by eminent financiers and economic writers, examination questions, announcements and the general news of the Institute and local chapters."

Bulletin of the American Institute of Bank Clerks

The subscription fee was $2 a year to any address in the United States, Canada, or Mexico, payable in advance. Foreign subscribers other than those in Canada and Mexico paid extra postage. Associates were granted a special rate of $1 a year, presumably because their subscription fees were collected by the chapter treasurers and remitted to the Institute treasurer in lump-sum payments.

Secretary Kittredge announced that the Bulletin would be the official medium of communication between the Institute and its associates and students, that it would be issued semimonthly, and that it would be wholly educational in character, in no way attempting "to encroach upon the well defined field of banking journalism so ably filled by existing newspapers and magazines."

The third medium for putting the general plan of the Institute into effect was correspondence instruction. "The Correspondence School of Banking," the publicity circular stated, "has been organized in a broad and comprehensive way, but wholly along practical lines, and is adapted to supply whatever the individual may demand. The courses of study will ultimately embrace everything that can be of advantage to the average clerk in qualifying himself for the higher responsibilities of banking.

Correspondence School of Banking

At the outset they will embody lessons, examinations and certificates of improvement and proficiency in the following:—

1. Penmanship
2. Spelling
3. English Grammar
4. Composition and Rhetoric
5. Business Correspondence
6. Shorthand
7. Typewriting
8. Commercial Geography
9. Financial and Commercial History
10. Bank Arithmetic
11. Double Entry Bookkeeping
12. Bank Bookkeeping
13. Practical Banking
14. Commercial Law
15. Government
16. Practical Finance."

The study courses had no consecutive connection with each other and were to be selected by students according to their personal desires and requirements. The instruction, it was stated, would be held strictly to banking lines, and no attempt would be made to provide general education or broad culture.

A bank clerk could take several courses simultaneously if he desired, and the time was unlimited for all courses. Thus one clerk might complete a given course in three months and another might spend a year on the same work. Members of chapters could become students in the correspondence school. If they did so, they carried on their work, as did other students, by direct communication with the secretary of the Institute.

From the report of William C. Cornwell to the Executive Council of the A.B.A. on April 25, 1901, it appears that the Committee on Education regarded the Correspondence School of Banking as of greater significance than the Bulletin and the chapters, but experience proved otherwise. Mr. Cornwell said:

"Your committee would emphasize the importance of correspondence instruction. It overshadows, we believe, every other instrumentality that could be brought into operation. The organization of the bank clerks of the United States into chapters, while attracting attention and apparently being of considerable moment, is, in the estimation of your committee, of far less practical use than the work entered upon by the individual student along the lines in which he feels he is more or less deficient."

Mr. Cornwell stated that the enrolment of students in the Correspondence School of Banking, which had already been begun, included a number of cashiers and assistant cashiers as well as numerous tellers, bookkeepers, and clerks.

Fees

The registration fee for each course was $1, always payable in advance. The fees for the various courses ranged from $4 to $20 and covered the preliminary examination, all necessary lesson papers, sectional examinations, final examination, and award of certificate of improvement and proficiency. The study course fees were payable in quarterly instalments in advance, and any one who paid in full in advance was privileged to omit the registration fee. The scale of charges was as follows:

Penmanship, Spelling, English Grammar, each $4
Composition and Rhetoric, Business Correspondence,
Shorthand, Typewriting, Commercial Geography,
Financial and Commercial History, Bank Arithmetic, each $8
Double Entry Bookkeeping, Bank Bookkeeping,
Practical Banking, Commercial Law, each $12
Government, Practical Finance, each $20

It is interesting to note that the letter of transmittal which accompanied the circular was quite modern in its approach, offering introductory cut-rate prices. "In view of the appropriation made by the American Bankers Association, for the purpose of

getting the Institute established and under way, it has been decided to *discount the prices of the courses of study 50 per cent* to all bank employees who register and pay prior to July 1, 1901."

Commenting on the subjects of faculty and instructors, the publicity circular said:

Faculty and Instructors

> The faculty of the American Institute of Bank Clerks now in course of selection includes educators and financiers of established reputation and acknowledged ability. There will be professors of banking and finance, bank practice, theoretical accounting, commercial law, mathematics, English literature, political economy, history, rhetoric, double entry bookkeeping, geography and English grammar, shorthand, typewriting and penmanship.
>
> Under the supervision of the faculty, there will be instructors in practical banking, bank arithmetic, double entry bookkeeping, composition and rhetoric, correspondence, shorthand, typewriting, commercial law, government, finance, political economy, geography, history, English grammar, spelling and penmanship.

Just what the distinction was between faculty and instructors is not entirely clear. Presumably the faculty consisted of supervisors, or those in general charge of the various subjects, and each faculty member had a corps of examiners assigned to him for the purpose of grading and commenting on the students' examination papers.

Publicity

Subsequent to the mailing of the publicity folder to bank cashiers, circular letters were sent to chief clerks in banks, requesting the names and home addresses of clerks. By this means the facilities of the Institute were brought to the personal attention of a large number of bank employees. In addition, numerous letters were addressed to bank officers personally.

It was planned to continue the publicity regarding the entire work of the Institute in the various issues of the Bulletin and to distribute sample copies of the publication under a system by

which every bank, trust company, and savings institution would receive at least one copy every other month.

The Institute Secretary and Assistant Secretary

The contract which the Committee on Education made with the Account, Audit & Assurance Co., Ltd., it will be recalled, provided for executive supervision on the part of Mr. Kittredge and for the services of the members of his staff to a specified extent. Accordingly, in the broad segregation of duties, Secretary Kittredge acted as general manager of the Correspondence School of Banking, while the work of organizing Institute chapters was assigned to Assistant Secretary Allen. The Bulletin was produced under their joint editorship.

Mr. Kittredge had had many years of experience in the publishing business, having originated and edited both trade and business journals. In the 1890's he had left the publishing field for accounting, in which he had always been interested, and had formed the Account, Audit & Assurance Company. As its president he had achieved a reputation as a business man and an organizer, and these qualifications, together with his publishing experience, made him well fitted for the work of getting the Institute under way.

Mr. Allen also had had considerable experience as an editor and a publisher, followed by several years of executive experience in the field of railroading. He had left the railroad business early in 1901 and had joined the staff of The Title Guarantee and Trust Company of New York to assist in the organization of a banking department. After his appointment as assistant secretary of the Institute, he continued in the employ of the title company on a part-time basis for several years.

The reasons for having the Institute conducted by an outside organization were clearly stated by the chairman of the Committee on Education in his report to the Milwaukee convention

of the American Bankers Association in the fall of 1901, and it seems appropriate to present them here.

Contract with Account, Audit & Assurance Co., Ltd.

In making such contract, your committee was prompted by a two-fold motive. First, Mr. Kittredge and his company, through their equipment and connections, were manifestly able to furnish services equal to any possible requirements; and, second, they were able and willing to take into consideration the uncertain income from students and associates of the Institute in gauging expenditures and figuring remuneration for their own services. Such chances your committee, of course, could not take.

In the preparation of the courses of study in the Correspondence School of Banking it has been necessary to employ numerous specialists at considerable cost. All such arrangements, as well as the contracts for printing, have invariably been made in the name of the Account, Audit & Assurance Co., Ltd., thereby protecting your committee from all responsibility and relieving you from all chances of annoyance.

In the organization of the American Institute of Bank Clerks and the operation of the same up to the present time, your committee has guarded against creating any obligation, financial or moral, actual or implied, which might in any manner forecast the policy of the American Bankers Association in the matter of educational work.

V

Development of Institute Chapters

THE first of the educational mediums to begin actual operations were chapters of the Institute. Whether it was merely a coincidence or by design, the first local association was formed in New York City the same day that the organization of the American Institute of Bank Clerks became effective with the signing of the constitution by the ninth trustee —that is, on March 23, 1901. It was organized in the Harlem district as Alexander Hamilton Chapter, with an initial membership of about fifty. Henry Dimse of the Twelfth Ward Bank was its first president.

In a letter to the editor of the Bulletin describing the organization, the chapter secretary, William E. Knox of the Bowery Savings Bank, said: "The officers and members of Alexander Hamilton Chapter realize that they have undertaken a new work along much-needed lines, and by reason of its very newness there will be much opportunity for mistakes. But there will also be great opportunity for achievement and for advancement. They hope to help themselves and each other to come in closer relationship with their colleagues in other banks, in fact, to learn to know each other intimately and to know their business better. There is only one kind of man they do not want, and that is the man that knows it all. Him they propose to give a wide berth."

This chapter operated as an independent unit for three and a half years and made a significant contribution to the development of the Institute. It never achieved a large membership,

however, and in October 1904 it merged with New York Chapter.

Four days after the organization of Alexander Hamilton Chapter, the Bank Clerks' Economic Society of St. Louis voted unanimously to join the American Institute of Bank Clerks. This association had been formed on November 27, 1900 along the lines of the Minneapolis Bank Clerks' Association and had been meeting twice a month for the purpose of studying commercial paper under the direction of local attorneys. At the time of its affiliation with the Institute on March 27, 1901, the association had a membership of about 100 enthusiastic bank clerks. In writing to the editor of the Bulletin, the chapter president, R. M. Richter, said: "At no time was the society desirous of counting among its supporters any except such as joined freely and without compulsion. Whoever thought it a matter of duty to enlist for reasons foreign to the true purposes of the organization was never considered a desirable candidate." In a word, *quality* rather than quantity characterized the membership aims of these Institute organizations.

Alexander Hamilton was only one of three chapters organized in New York City in about three weeks' time. The second chapter, formed on April 11, 1901, was composed of clerks employed in the downtown banks and was designated New York Chapter. The preliminary meeting was held in the rooms of the Board of Trade and Transportation at 203 Broadway. Addresses were made by William Sherer, manager of the New York Clearing House, William C. Cornwell, Institute president, and A. O. Kittredge, Institute secretary. As a result of this meeting 140 bank clerks enrolled for membership immediately, and the number was soon substantially increased.

The spirit of the organization was reflected in the remarks of

President Samuel Ludlow Jr. at a meeting of the members sometime later. "The eyes of New York's most wealthy and influential bank men are upon us now," he said, "awaiting the results of our meetings. That these results will be gratifying to them, a profit to their institutions and, therefore, to ourselves, there can be no doubt. To insure these satisfactory results, we must make jealousy unknown to our organization. We want no cliques to rule and ruin. Every member must feel that he is one of an harmonious whole and not hesitate to stand right up in a meeting and make known his ideas. We want these ideas to assist us in the management."

Early in April George F. Orde, cashier of the Northern Trust Company Bank and a trustee of the Institute, called a meeting of the bank employees of Chicago for the purpose of organizing a chapter. The meeting was well attended and was addressed by William C. Cornwell and A. O. Kittredge. "A feature of the occasion was the large number of practical questions proposed by the bank clerks present and the answers which were made to them by the secretary." Chicago Chapter soon became the largest of the early organizations, and its first president, Fred I. Kent of the First National Bank, had much to do with shaping the destinies of both the local chapter and the national organization of the Institute.

On April 13, 1901 the third chapter in New York City came into existence. It took in the employees of banks in the central part of Manhattan Island and was called Manhattan Chapter. In September 1901 this chapter was given the privilege of holding its meetings in a room in the Appleton building on Fifth Avenue, and the same privilege was accorded New York Chapter by D. Appleton Company. Naturally, the sharing of a common meeting place soon made it desirable for these chapters to

join forces. Hence on May 13, 1902, after a year of successful operation as an independent unit, Manhattan merged with New York.

Two chapters were organized in May 1901, Cincinnati on May 4 and Pittsburgh on May 14. George E. Allen, assistant secretary of the Institute, was present at both meetings to help the organizations get properly launched.

George Guckenberger, president of the Atlas National Bank, Cincinnati, and an ardent supporter of the Institute idea, addressed the meeting on May 4, and the chapter started off under most favorable circumstances, with Charles W. Dupuis of the Western German Bank, Cincinnati, as its first president. A special effort was made to interest the bank clerks in the neighboring cities and towns.

J. B. Finley, president of the Fifth National Bank, Pittsburgh, and a trustee of the Institute, addressed the Pittsburgh meeting. "The bankers of the future," said Mr. Finley, "will have greater responsibilities than the bankers of the past or of the present. The American Institute of Bank Clerks will give you opportunity and facilities to fit yourselves to meet greater responsibilities. Hard and patient study is required, however, and this must be done by you."

On June 5, 1901 the members of the Minneapolis Bank Clerks' Association voted unanimously to join the Institute, "thus participating in the broad plan and fraternal spirit essential to the highest development of character and efficiency." William C. Cornwell wrote the chapter secretary, William Hempstead, a letter in which he said: "I welcome you heartily on behalf of the trustees and extend to your members our appreciation of the importance to us of such action on the part of the pioneer organization of bank clerks in the United States, whose

example and success was a powerful incentive to the materialization of our plans for the formation of a national association."

On June 13 preliminary steps were taken toward the formation of a chapter in Louisville, Kentucky. The organization was soon effected by the adoption of articles of association and election of officers. It was too late in the season to undertake educational work, but plans were made for initiating a program in the fall.

Thus, in somewhat less than three months' time nine chapters of the Institute were fully organized. Those formed in March and April were able to hold several meetings before the hot weather made it desirable to suspend educational activities for the summer months.

Chicago Chapter reported that its season closed with a large and enthusiastic meeting. In calling the meeting to order, President Fred I. Kent remarked: "Boys, I must say that I am proud of you tonight. It has been said frequently that the bank clerks of Chicago could not unite in any undertaking, but you have successfully proved that to be a false idea. The reason you have not been able to succeed before, I think, has been because the right chord has not been struck. You have tried social clubs and political clubs and sporting clubs, and they have all been failures, but it seems to me that in the word 'education,' we have found the right thing for getting out the bank clerks of Chicago."

Eighteen additional chapters were reported as having been formed between October 1, 1901 and June 1, 1902, and three more came into existence during 1902-1903.

Chapter Membership

The only official record of chapter membership for this early period of Institute development was that contained in the secretary's report to the Board of Trustees for the year ended September 30, 1902. This report gave the names of the chapters (ar-

ranged in alphabetical order) and the membership of each for June 1902 as follows:

Alexander Hamilton	125
Baltimore	113
Buffalo	54
Chicago	600
Cincinnati	41
Cleveland	117
Denver	45
Detroit	64
Grand Rapids	24
Hampden County (Springfield, Massachusetts)	41
Hartford	75
Kansas City	35
Louisville	16
Milwaukee	150
Minneapolis	112
New York (including Manhattan)	500
Philadelphia	100
Pittsburgh	248
Providence	86
Richmond	54
St. Louis	68
St. Paul	98
Salt Lake	25
San Francisco	261
Toledo	25
Washington	63
Total	3,140

It is a tribute to the foresight and ideals of the men who guided the destinies of the local organizations during the early years, and a commentary on the persistence of the Institute idea, that of the thirty chapters formed from March 1901 to June 1903, *twenty* have been in *continuous operation* ever since their formation. Three chapters, Alexander Hamilton, Manhattan, and Brooklyn, eventually lost their separate identities through

merger with New York Chapter. Although the remaining seven chapters had to be discontinued at some time because of local conditions, they were reorganized as soon as sufficient interest in Institute work could be aroused to make this possible.

Guidance in Chapter Work

As has already been stated, the chapters were permitted to conduct their affairs and to carry on their educational work in their own way so long as they operated in harmony with the general plan of the Institute. Through the medium of the semi-monthly Bulletin, they received many helpful suggestions from national headquarters. A few excerpts from the comments of the editors in various issues of the Bulletin will serve to indicate the nature of the guidance that the secretary's staff was thus able to exercise without resorting to frequent visitation, although the officers of the Institute, especially A. O. Kittredge, George E. Allen, and Joseph C. Lincoln, did appear on the programs of nearby chapters with more or less regularity.

The central idea of a chapter is hard and earnest work along practical banking lines, and a dozen members determined to benefit themselves by systematic study is a better beginning than a hundred members without a definite object. It is a mistake to think that chapters must be large or that programs must include lectures by people of note. Occasional lectures by leading financiers and educators are certainly desirable, but the best results are invariably obtained by what chapter members do themselves.

It should be remembered that the meaning of the word education is to draw out. The average bank clerk has more latent talent than he himself realizes, and when one does not himself realize his own capabilities it is not reasonable to suppose that his superior officer will do such realizing for him. It is one thing to know something and it is quite another thing to be able to tell what one knows.

The stimulation of self-confidence, the development of the executive faculties, the ability to talk in public, and familiarity with parliamentary rules are among the many benefits to be derived from chapter work.

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Chapter Programs in General

When the chapters began their first full year of work in the fall of 1901, their ideas concerning what was expected of them had crystallized to some extent and their programs, therefore, developed a sameness of pattern within broad general lines. The first year most chapters built their educational programs largely around three types of activities: *addresses* by bankers and financiers, educators, and men prominent in public life; *papers* prepared and read by chapter members, followed by general discussions; the *question box* as the basis for discussions and debates among members. Some chapters sponsored series of *lectures* on specific subject matter, and a few engaged in *debating*. Little or no attempt was made to achieve continuity of subject matter in any phase of the work except the lecture series.

Similar programs were carried on during 1902-1903, with more chapters arranging for lecture courses and several engaging in debates.

Lecture Courses

The following list of lecture courses, though incomplete, is indicative of the subject matter covered in a general way and of the variation in number of lectures included in the different series during the first two years.

The Negotiable Instruments Law, 5 lectures, Alexander Hamilton Chapter
Law of Contracts, 10 lectures, Baltimore Chapter
The Negotiable Instruments Law, 13 lectures, Chicago Chapter
Commercial Law, a two-year series, Cincinnati Chapter
Commercial Law, a two-year series, Cleveland Chapter
Banking Law, 15 lectures, Milwaukee Chapter
Political Economy, three times a month during the fall and winter of 1900-1901, Minneapolis Chapter
Money and Banking, three times a month during the fall and winter of 1901-1902, Minneapolis Chapter
Partnership and Agency, 10 lectures (5 each), 1902-1903, Minneapolis Chapter

Negotiable Instruments Law, 6 lectures, New York Chapter
The Negotiable Instruments Law, 5 lectures, Philadelphia Chapter
Commercial Law, a two-year series, St. Louis Chapter
Commercial Paper, 10 lectures, St. Paul Chapter
History of Banking in the United States, 10 lectures, San Francisco Chapter

Relatively few chapters had quizzes or examinations at the termination of the lecture series. Even the Minneapolis Bank Clerks' Association (later Minneapolis Chapter), after its initial experiment with an examination in the spring of 1900, had eliminated this feature because it had found that the idea of an examination "frightened the timid ones away."

Of all the lecture series conducted by the chapters, that of Minneapolis Chapter in its third year of operation most nearly approached the plan of an actual study course. For money and banking, conducted by Professor Frank L. McVey of the University of Minnesota during 1901-1902, two textbooks were used: Dunbar's The Theory and History of Banking and White's Money and Banking. The members were given an outline of the lectures and were expected to study the texts.

Addresses

Typical of the men prominent in public life whom the chapters were able to secure for addresses on a variety of subjects were the following:

The Honorable Charles N. Fowler, chairman of the Committee on Banking and Currency in the House of Representatives
O. P. Austin, chief of the Bureau of Statistics, Washington, D. C.
Harry Coope, United States Treasury Department
The Honorable Ellis H. Roberts, Treasurer of the United States
The Honorable Lyman J. Gage, former Secretary of the Treasury
William B. Ridgely, Comptroller of the Currency

The question box technique, started by the chapters in New York in 1901, was soon adopted by many other local associations.

Question Box

The box was installed in the chapter room or meeting place, and the members were expected to deposit in it memorandums of any puzzling questions on bank subjects that occurred to them. It was opened during each meeting, and the questions were used as the basis for lively discussions and debates among the members.

Papers by Members

Possibly the most important technique was that of having essays or papers prepared and read by the members. This activity soon became a feature of each regular meeting, and practically every phase of bank work was covered by this means. The reading of a paper was invariably followed by general discussion, thus increasing the benefit to be derived from the activity.

In a Bulletin article in the November 15, 1903 issue, President J. B. Finley summed up the value of these discussions and debates and of other phases of chapter work thus:

> Such discussions and debates have stimulated the interest of bank clerks in financial and economic questions, attracted new members to the chapters, and correspondingly increased the enthusiasm of the old members. The value of this training to the clerks from an educational point of view can hardly be overestimated, and the advantage that must accrue to their employers is no less evident. The Institute work has been supplemented by social reunions of chapter members, where closer relationship and fraternal spirit have been fostered that must go far toward making the bank clerks realize the all-important fact that the chapters are not a collection of isolated clubs, scattered about the country, but are parts of a homogeneous organization, of which the American Bankers Association is the head.

Chapter members were put to work in a variety of other ways. "Alexander Hamilton Chapter," commented the Bulletin for February 1, 1902, "is particularly energetic and self-reliant. The president, Henry Dimse, is a young man of exceptional energy and diplomacy. He has the valuable faculty of making other people work, and it is his custom at nearly every meeting to invite some member to take the chair during the educational part

of the program for the sake of the experience thus afforded in parliamentary practice."

Chicago Chapter's Book

The president of Chicago Chapter, Fred I. Kent, also was resourceful in putting the members to work. During the year 1902-1903 the chapter embarked on the original and ambitious project of writing and publishing a book, the title of which was "Industrial Methods in the United States and Their Relations to Banking and Currency." The book was to contain twenty-five chapters under four main divisions: Agriculture (seven chapters), Livestock (four chapters), Mining (four chapters), and Manufacturing (ten chapters). President Kent, acting as chairman of the general committee, appointed twenty-five subcommittee chairmen, each to take charge of the assembling of material for one chapter of the book and to lay out the work for the members of his committee. The remaining chapter members were assigned to specific committees and were expected to develop material by reading, observation, correspondence, and personal interviews; in fact, they were instructed to "exhaust every known source for obtaining information." The book was to contain between 300 and 400 pages.

Chapter Libraries

Almost from the beginning, several chapters undertook to develop library facilities for the use of their members. New York Chapter started its library in 1901-1902 with "a number of the most advanced books on banking topics, as well as various statistical works of interest to bankers." It also had on file "copies of the important magazines and periodicals." The members were permitted to withdraw books for reading at their leisure. St. Louis Chapter also started a library in 1901-1902 and succeeded in raising nearly $1,000 for this purpose. Within a year's time its financial library contained 171 works.

After the first year many chapters prepared their programs

Chapter Prospectuses and Other Innovations

for the entire season and had them printed in attractive booklets of pocket size. The chapter booklet usually set forth the purpose of the American Institute of Bank Clerks and its advantages to members, described the work of the chapter, and outlined the program for the coming year.

During 1902-1903 New York Chapter introduced several new features, among them the following: (1) a chapter bulletin, which was a placard of rather elaborate design suitable for placing on the bulletin boards of banks, thus dispensing with the necessity of mailing notices to members; (2) provision for a board of consuls consisting of the members of the chapter's board of governors and an official representative from each bank, the duties of the bank representatives being to assist the chapter officers "by collecting dues and securing enrolment of new members in a systematic and businesslike manner"; (3) an emblem in the form of a circular pin bearing the name of the chapter in gold encircling the silver monogram of the Institute; (4) membership cards which the members might carry in their pockets. Features (1), (2), and (4) were the beginning of practices that are common among Institute chapters today.

Development of the Institute Spirit

Bearing in mind the old adage of "all work and no play," the chapters interspersed their educational meetings with an occasional evening devoted to entertainment and relaxation, and many of them held annual banquets. Naturally, not much interchapter visiting was done during the first year. But as the leaders in one chapter became acquainted with the personalities and accomplishments of the leaders in other chapters, first through the chapter department in the Bulletin and then through correspondence regarding their common problems, there developed a spirit of good fellowship which was heightened through interchapter visiting, debating, and banqueting during the second

year. Many lasting friendships were made, and out of these associations grew that fraternal spirit which, more than any other single feature, has characterized the Institute from this early period and today is known as the *Institute spirit.*

Proposed Convention of Chapters for 1902

Certain major developments during the first two years forecast an even greater community of interests among the chapters in the years to come and a closer relationship with the national organization of the Institute. The first of these was the proposed national convention of chapters for 1902.

During the spring of 1902 the Bulletin recorded considerable interest on the part of chapters in the possibility of holding a national convention. The first suggestion appeared on the editorial page of the April 1, 1902 issue. There it was stated:

> In exercising the function of management, the trustees of the Institute will profit by the suggestions of the young men for whom they are working. What could be more appropriate than that the members of the chapters at large should be invited in a formal way to cooperate with the trustees of the Institute in the matter of suggestions as to what might be done to help forward the good work? This is one line of argument which leads to a conclusion which the secretary has informally announced in different directions in the past few weeks, namely, that in a short time there would be brought to the attention of chapters everywhere the suggestion of a national convention of chapters, to which delegates from each of the several chapters would be invited, according to some agreed scheme of representation.
>
> As already intimated, nothing has been formally agreed upon by the trustees with respect to a convention. The consensus of opinion, however, seems to be that a convention is very desirable, and accordingly the secretary makes bold to discuss this question in the Bulletin at this time, suggesting that letters from chapter officers and chapter members everywhere, expressing opinions in the premises, either for or against the proposed convention, will be very welcome at the present time.

Subsequent issues of the Bulletin carried letters from chapter leaders expressing interest in a national meeting. The proposed

convention received an impetus when the August 1, 1902 issue announced that the idea had the approval of the executive officers of the Institute. This issue also stated that the secretary had communicated with the president of Chicago Chapter and had received assurance of that chapter's willingness to play host, that Fred I. Kent had then come to New York for a conference and had met with Samuel Ludlow Jr., president of New York Chapter, and Alfred M. Barrett, president of Alexander Hamilton Chapter, and that the three chapter leaders had proceeded as a committee to consider details.

The next issue of the Bulletin announced that October 22, 23, and 24 were the dates recommended and that a communication had been sent to all chapters by S. Ludlow, secretary of the committee on arrangements, asking for a definite statement of interest. The issue of September 15, however, reported that it had been decided to abandon the convention proposition for the year 1902 since the number of delegates willing to pledge their attendance was insufficient to obtain the round trip convention rate of single fare and one-third granted by the railroads at that time. Without that rate, it was deemed unwise to attempt to hold the convention. But the hope was expressed that the summer of 1903 would witness a national gathering of the chapters.

As already indicated, debating was one of the early activities of Institute chapters. During the first full year of operation, debates were carried on between members of the same chapter for the most part. There was one interchapter debate, however, and the following year brought four more debates of this kind.

First Interchapter Debate

The first interchapter debate was between New York and Alexander Hamilton chapters on March 27, 1902. The question was: *Resolved,* That the present economic conditions require a central bank. Naturally both chapters, being located in the same

city, were well represented in the audience. The affirmative side, upheld by New York Chapter, won the decision.

Second Debate

The second interchapter debate was held in Cleveland, Ohio, November 22, 1902, on the following question: *Resolved,* That Secretary Shaw's plan of loaning government funds to banks on other than government bond security is judicious. Cleveland Chapter had the affirmative and Pittsburgh Chapter the negative. The report of the debate was prepared for the Bulletin by Fred Kent. The article stated that the Cleveland debaters spoke without notes, while the Pittsburgh team used notes, and that the difference in the two styles seemed to be plainly in favor of Cleveland. At any rate, the judges rendered the decision in favor of the affirmative, and the Pittsburgh debaters were the first to approve.

Third Debate

The third debate was a return engagement between Pittsburgh and Cleveland, but this time it took place in Pittsburgh, on Saturday, February 21, 1903. The question was: *Resolved,* That all banks and trust companies should be required to keep the same reserve as national banks. Pittsburgh had the affirmative and Cleveland the negative side of the question. The judges awarded the decision to Pittsburgh Chapter.

Among the out-of-town visitors, in addition to those from Cleveland, were representatives from Chicago, Cincinnati, Alexander Hamilton, and New York chapters. Most of the visitors remained in Pittsburgh for the entire week-end since Monday was a holiday. Thus the chapter leaders had an opportunity to confer on a number of matters. The results of their conference will be described later in this chapter.

Fourth Debate

The fourth debate was a return engagement between Alexander Hamilton and New York chapters on March 25, 1903. The subject was: *Resolved,* That national banks be permitted

to issue currency based on their general assets. Alexander Hamilton had the affirmative and New York the negative. The decision was rendered in favor of the affirmative and thus made the debate series between these two chapters a tie.

The exchange of telegrams between Alfred Barrett of Alexander Hamilton Chapter and D. C. Wills of Pittsburgh and Fred Kent of Chicago following the debate is of interest in showing how far the friendships between the leaders of the larger chapters had progressed by this time.

> Barrett to Wills: "Tell boys I have Ludlow's scalp. Asset legislation assured."
> Barrett to Kent: "Ludlow's scalp in Alexander Hamilton's wigwam. Cheer Ludlow up."
> Wills to Barrett: "Accept congratulations. How much did it cost?"
> Kent to Barrett: "Congratulations. We will be after both scalps some day. Will do the best I can for Ludlow."

Fifth Debate

The fifth debate, held in Cincinnati, Ohio, May 30, 1903, was a new departure in this activity and was appropriately termed an intercity debate. The subject was: *Resolved,* That it is for the public good that national banks be permitted to issue currency based on their assets. The affirmative was upheld by J. J. Arnold, Chicago Chapter; Samuel M. Hann, Baltimore Chapter; and S. L. St. Jean, St. Louis Chapter. The negative was supported by Clay Herrick, Cleveland Chapter; Joseph A. Stanton, Cincinnati Chapter; and Ira C. Harper, Pittsburgh Chapter. The negative won the decision.

Eight chapters were represented in the audience: Pittsburgh, Cleveland, Baltimore, St. Louis, New York, Alexander Hamilton, Chicago, and, of course, Cincinnati. Joseph C. Lincoln, editor of the Bulletin, also was present, and he reported the event.

The record discloses that luncheon was served at 12 o'clock sharp and that, much to every one's surprise, the dinner preced-

ing the debate was served at 4:30 p.m.—a seemingly unseasonable hour. An examination of the evening program, however, was enough to convince one that an early start was wise. Charles W. Dupuis, president of Cincinnati Chapter, welcomed the visitors before the after-dinner speaking began. The list of speakers included the following: Fred I. Kent of Chicago Chapter, Joseph C. Lincoln, D. C. Wills of Pittsburgh Chapter, S. Ludlow Jr. of New York Chapter, Alfred M. Barrett of Alexander Hamilton Chapter, James C. Fenhagen of Baltimore Chapter, R. M. Richter of St. Louis Chapter, E. E. Kehew of Pittsburgh Chapter, and Clay Herrick of Cleveland Chapter. The last speaker was George Guckenberger, president of the Atlas National Bank of Cincinnati. He stated that he was proud of the fact that he was one of the members of the American Bankers Association who had voted for the first appropriation for the founding of the Institute. The diners adjourned at 7:30 p.m., in time to attend the debate at 8 o'clock.

The following day, May 31, witnessed another conference of chapter leaders. This conference, too, will be described later on.

No attempt will be made in this story to cover all interchapter debates. The few that find a place here are mentioned because they laid the groundwork for an activity that has been a potent factor in the educational program of the Institute and because it is interesting to note the early recognition of the value of debating by those who were the pioneers in the organization.

An editorial in the March 15, 1903 issue of the Bulletin, commenting on the debate at Pittsburgh, clearly showed the attitude of the Institute officers toward this activity. "Judging by the reports from Pittsburgh," the editor said, "the visitors made a splendid impression, and any one with reasoning power can see what such an effect will have upon the banking fraternity

of that city. We want more of these interchapter debates and entertainments. They tend to make the Institute a stronger and more coherent body. They tend to attract new members and to keep the old ones in line. They make workers of chapter members, and chapters where the members do not work are not good for much. Once more we congratulate Pittsburgh and its bank clerk visitors."

First Conference of Chapter Leaders

Reference has already been made to the conference of chapter leaders following the debate at Pittsburgh. Six chapters were represented by their presidents (or chairmen as they were termed in some chapters): Fred I. Kent, Chicago; D. C. Wills, Pittsburgh; Alfred M. Barrett, Alexander Hamilton; Clay Herrick, Cleveland; C. W. Dupuis, Cincinnati; and S. Ludlow Jr., New York. All these men were destined to be leaders in the national movement which, through progressive growth and a succession of changes, developed into the present organizational set-up of the Institute. In addition to the chapter presidents, E. H. Cook, treasurer of Alexander Hamilton Chapter, and E. S. Eggers, vice president of Pittsburgh Chapter, attended the conference. Thus the event might have been dubbed a miniature convention. Mr. Kent acted as chairman and Mr. Barrett as secretary.

At this meeting the chapter representatives prepared a letter addressed to the president of the American Institute of Bank Clerks, in which they recommended certain changes in the plan of conducting the Institute. This letter was signed by all six chapter chairmen and was sent to President J. B. Finley.

Following the conference, the convention committee on arrangements held a meeting to consider the matter of a national convention. This committee, it will be recalled, had been formed in the spring of 1902 and consisted of Fred Kent, S. Ludlow Jr.,

and Alfred Barrett. Adding Clay Herrick to the personnel, the committee delegated to him the job of looking into the possibility of holding a convention of chapters at Put-In-Bay on Lake Erie sometime during the coming summer.

Second Conference of Chapter Leaders

The second conference of chapter leaders, as previously stated, was held at Cincinnati on May 31, primarily for the purpose of discussing the subject of a national convention. The following attended this two-hour meeting: Past President Barrett of Alexander Hamilton Chapter, President Dupuis of Cincinnati Chapter, President Ludlow of New York Chapter, President Fenhagen of Baltimore Chapter, President Kehew of Pittsburgh Chapter, Past President Kent of Chicago Chapter, Past President Wills of Pittsburgh Chapter, President Richter of St. Louis Chapter, and President Herrick of Cleveland Chapter. Mr. Lincoln also was present during the latter part of the conference.

After a thorough discussion, it was decided to hold a convention and to announce the details in the July 1 issue of the Bulletin. Five men were added to the committee on arrangements, making the personnel as follows: Messrs. Kent (chairman), Ludlow (secretary), Barrett (treasurer), Herrick, Wills, Kehew, Richter, Fenhagen, and Dupuis. The story of the first convention of the Institute is the subject of a later chapter.

Before leaving the record of chapter activity to take a look at the progress of the other educational mediums during the formative period, it seems fitting to consider further the letter from the chapter chairmen to President J. B. Finley and to note the action taken on the matter.

Recommendations of Chapter Chairmen

The letter drafted by the chapter chairmen was dated February 23, 1903, and presumably it reached President Finley that same week. It was six months, however, before the members of the American Institute of Bank Clerks met to consider the

communication. With the call for the meeting, President Finley sent copies of the letter so that the members might have advance information regarding the suggested plan.

At a meeting of the members held at the Waldorf-Astoria Hotel, New York, August 21, 1903, President Finley stated that since the receipt of the communication, two of the six signers had requested that their names be withdrawn and one had expressed the conviction that the suggested plan was not feasible. Because of its significance, the letter is quoted in full.

Board Room, Keystone Bank,
Pittsburgh, Pa., Feb. 23, 1903.

J. B. Finley, Esq., President,
Board of Trustees,
American Institute of Bank Clerks,
Care Fifth National Bank,
Pittsburgh, Pa.

Dear Sir:

We, the undersigned chapter chairmen representing the cities of Pittsburgh, Chicago, New York, Cincinnati, and Cleveland, whose membership aggregates 1,400, have held a conference in the city of Pittsburgh on the 23d of February, 1903, and after carefully considering the work which has been conducted by the American Institute of Bank Clerks and thoroughly discussing the conditions as they seem to exist under the present plans of the Association, have decided to respectfully submit the following recommendations to your honorable body.

We believe that you will allow that our intimate relations with the rank and file of the banking forces, both as officers of chapters of the Institute and in our daily occupations, qualify us somewhat to speak for the interests of the banks and bank clerks whom you gentlemen are certainly endeavoring in every way to benefit, and at the same time in the interests of the general idea for better educational opportunities for the ambitious element of junior bankers.

While the Institute has established the fact that a national association for bank clerks, which has for its object the mental improvement of its members, is both useful and practical, still we are of the opinion

that if the American Institute of Bank Clerks was conducted under other than the present plan and management, it would appeal more strongly to the rank and file of the profession and be more fruitful of results.

It seems the consensus of opinion that the Correspondence School of Banking is not popular with the clerks, and in fact is to a certain extent a subject of ridicule, and while the chapters are proving attractive and beneficial, still with the above-mentioned branch of work associated with them, although indirectly, they are being retarded in growth and consequently made more difficult to maintain.

We also unanimously agree that the Bulletin does not meet the demand for a high-class periodical edited in the interests of banking in general and of bank clerks in particular, and does not meet with the approval of a large number who are at present receiving it. It does not reach the hearts of those whom it seeks to interest, through the apparent lack of knowledge by its editors of what is really needed by the younger banking element.

It seems to us that a publication could be issued once each month in ordinary magazine size, containing in addition to the papers contributed by members (which at the present time is almost the sole contents of the Bulletin) articles of general financial interest, such as financial legislation, personal mention, educating editorials, notices of moves and functions, held under the auspices of bank clerks' organizations throughout the United States, allowing more space to the publication in full of the proceedings at meetings of each chapter, which information could be secured if systematically attempted. Such a publication should be mailed to members on the date of issue instead of as now from five to twelve days subsequent thereto; a paper of this kind would prove an attractive and educating influence and assist more to strengthen and encourage the growth of the Association than could any other feature.

We also believe that the present name of the Association does not tend to attract the element which it should strive to make friendly and inasmuch as many bank officials are at present among the members of the Institute, we would suggest that the term "Bank Clerks" be discarded and some name such as "Bankers" substituted in its stead.

We further respectfully suggest that if the direct management of the Institute was placed entirely in the hands of representatives elected

from the chapters, who in turn would elect officers and employ a secretary-treasurer at a reasonable salary, whose only duty would be to conduct the official organ from a national headquarters in a large city, manage the general work of the Institute, travel from place to place to organize or address local chapters and keep alive the interest in the Institute, the results would prove more beneficial and lasting to each and every member connected with the Association.

We do not think that such an organization as we suggest should be established, however, unless the interests of the entire financial and banking fraternity are to be forever subserved; in fact we believe that without the guidance and advice of the American Bankers Association ever within easy reach, such a plan as we suggest would not be advisable. Therefore, in addition to the management of the Institute by chapter representatives, the American Bankers Association should be requested to appoint each year three of its members to act as an advisory committee. Their duties should be that of counselors to the members in charge of the management of the Institute, wherever such management should feel the need for advice of older and wiser heads.

In line with the opinions herein expressed, we have taken the liberty of drawing up an outline of what seems to us plans best suited to conduct an Institute which seeks to benefit and uplift the junior bankers of the United States, and submit the same to you herewith most respectfully, knowing that your respected board will give the matter your best thought in the interest of the work in which we are all so deeply concerned.

Very respectfully yours,

D. C. Wills,
Chairman Pittsburgh Chapter,
Clay Herrick,
Chairman Cleveland Chapter,
Chas. W. Dupuis,
Chairman Cincinnati Chapter,
Fred I. Kent,
Chairman Chicago Chapter,
Alfred M. Barrett,
Chairman Alexander Hamilton Chapter,
S. Ludlow,
Chairman New York Chapter.

The plan suggested for the establishment of an organization to take over the management of the American Institute of Bank Clerks is set forth in Appendix IV.

The subject was discussed by the members of the Institute, and the following resolution was adopted:

Resolved, That the suggestions and criticisms submitted by the chairmen of various chapters be and are hereby received with cordial approval of the spirit of ambition and self-reliance therein manifested; that in view of the progress made by the Institute on present lines, however, and more particularly the desirability of extending the work among country banks, the trustees are of the opinion that no radical change of policy at the present time is expedient, and that any changes hereafter should be only in the way of natural evolution; that nevertheless, some plan of bringing chapter members and students into closer relation with the management would be acceptable and suggestions in this direction are invited.

The portions of the communication and of the suggested plan that refer to the Correspondence School of Banking, to the Bulletin, and to the name of the association should be noted carefully, for as this story develops we shall have occasion to refer to them again.

Despite the statement in the resolution that "the trustees are of the opinion that no radical change of policy at the present time is expedient," the recommendations of the chapter chairmen unquestionably had a determining influence on the course of events in the Institute during the next few years.

VI

The Bulletin

THE second educational medium to get under way was the Bulletin of the American Institute of Bank Clerks. Its main purpose was to facilitate the interchange of ideas among chapter officers, associates, and students, thus serving as the literary clearing house of Institute work. "The Bulletin," said J. B. Finley, "may be described as the warp of the Institute fabric. Aside from its distinctive character, it is so closely related to the other divisions of Institute work that anything said about the Bulletin reflects at once the whole Institute."

The Bulletin made its initial bow June 1, 1901. It was printed on 9½ x 13 sheets and contained 32 pages. On the masthead it was identified as "A Journal of Banking Education," a truly fitting description. A. O. Kittredge and George E. Allen were listed as co-editors. Joseph C. Lincoln, later to become famous as the author of Cape Cod stories, was assistant editor, although his name did not appear on the editorial page.

This issue carried three major educational articles: How to Judge Notes, by J. B. Forgan, president of the First National Bank, Chicago; Opportunities in Banking, by Alfred S. Bolles, professor of finance and political economy at the University of Pennsylvania and Haverford College; Commercial Law as Construed by the Courts, by William Waterbury.

Next came an interesting section on checks. Facsimiles of six checks, with their indorsements, were presented to Bulletin readers "as mental business problems to be solved." Each check, either on its face or in its indorsement, or both, had one or more irregularities. The reader was asked to discover the irregular-

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ities and to decide whether the check should be paid, assuming that it came through the clearing house in the regular way. In addition to these facsimiles, there were questions and answers on sixteen points relating to checks.

The editorials were interesting and informative. One of them explained the purpose of the reading courses that would be suggested in the Bulletin and stated that the books would be "carefully selected in view of the object to be attained, namely, the education of the bank clerk for higher and broader responsibilities." Another asked for comments, suggestions, and criticisms from Bulletin readers. The policy regarding advertising was clearly stated in the following editorial:

> This periodical, it will be observed, goes forth without any advertising. The reasons for this are easy to state. In the first place, it is not published for gain. In the next place, the reader who, it is hoped, will be interested in the work of practical education, of which it is the exponent, is not to have his mind distracted by the special pleas of those who have goods to sell. The Bulletin is published in the interest of bank clerks broadly, and, as before stated, without any expectation of profit.

There were short articles by members of the editorial staff: Thoughts Are Things, by A. O. Kittredge, secretary of the Institute and co-editor of the Bulletin; Education by Correspondence, by Rollin Jeffries (a pseudonym of George E. Allen, assistant secretary and co-editor); The Three R's, by Joseph C. Lincoln, assistant editor.

The correspondence department in this issue consisted principally of letters from five members of the Board of Trustees setting forth their ideas about the organization and containing sound advice to bank clerks. There was also a letter from Seymour S. Cook, president of the Minneapolis Bank Clerks' Association, giving the history of that association.

Another department carried accounts of the organization of

seven chapters of the Institute—Chicago, St. Louis, Alexander Hamilton, New York, Manhattan, Pittsburgh, and Cincinnati.

Detailed descriptions of the courses conducted by the Correspondence School of Banking and lists of the questions to be answered in the preliminary examinations for the various courses were spread over five full pages.

Included in the first issue was an announcement of prize competitions on the following subjects: (1) The Bank Cashier's Qualifications, Duties and Responsibilities; (2) Legal Reserves Under the National Banking Act; (3) Description of the Organization and Administration of the Collection Department of a Bank of Average Size and Location.

The final article, New Departure in Education, was one prepared by George E. Allen. The opening paragraphs read:

> The American Institute of Bank Clerks is the first broad and systematic effort on the part of a great body of employers to raise the standard of character and efficiency among their employees. Local and spasmodic educational efforts have been made by employers from time to time in shops and factories—generally in the direction of chemistry or mechanics—but the present movement inaugurated by the American Bankers Association is the first educational effort of the kind national in character and comprehensive in scope.
>
> The phenomenal expansion of business has created new conditions, and the up-to-date banker must have a general knowledge of commerce and finance, and unite in his own personality the elements of firmness and diplomacy. In no other business is so much responsibility necessarily left to subordinates, and the systematic training and development of the rank and file of employees has for several years been under consideration by leading bankers and educators. To the credit of the bank clerks of America it must be said that they need no urging in the matter of self-improvement. Without aid or suggestion they have in many places organized local institutes which have been of material benefit to members in increasing their technical knowledge and broadening their professional spirit.

The article then traced the evolution of the American Institute of Bank Clerks by quoting from the report of the Committee on Education presented at the Richmond convention in 1900 and from the plan suggested by A. O. Kittredge and included in the committee's report. Next it distinguished between the Correspondence School of Banking and chapters of the Institute and explained the function of the Bulletin. The closing paragraph was written in typical Allenesque style.

> Such is the plan of the American Institute of Bank Clerks. It is for employees to avail themselves of its facilities. Napoleon once said something to the effect that in war Providence was on the side of the best equipped army. Providence shows the same sort of discrimination in business life. The so-called lucky man is the man who trusts nothing to luck. Superior skill is what conquers. Successful banking implies accurate conception of every important line of business, superior judgment of human nature, unquestioned integrity and hard work. Something can be learned from history, and still more from study and observation of present conditions and methods. It is neither upon the past nor the present, however, that young bankers must depend for success. The future is their field, and they must grapple with the broad problems which we are only now beginning to see and appreciate.

Subsequent issues of the Bulletin through May 15, 1904 were the same size as the initial issue, and the original plan of conducting the periodical was adhered to with little variation throughout the three-year period. Certain departments and features that made the Bulletin "a journal of banking education" appeared regularly.

Correspondence School of Banking

Three departments were designed particularly for students in the Correspondence School of Banking, although two of them contained information of value to chapter members and other subscribers as well. The department headed Correspondence School of Banking was used to convey to students much of the instruction connected with the various courses. The June 15

issue, for example, contained two pages of general information on the correspondence method of study as developed by the Institute and specific advice to students on how to proceed with the work. Beginning with July 15, 1901 and continuing through September 1, 1903, all questions for sectional examinations, together with special instructions from time to time, were published in this department of the Bulletin.

Talks with Students

The department headed Talks with Students was started October 15, 1901 and was continued through May 1, 1904. At first it was used to comment on the examinations of specific students. Since each student was given a number when he enrolled, the Bulletin, by mentioning only his number, could call attention to errors in his examination and correct them without embarrassment to the student, and other students could thus receive the benefit of the corrections given. Gradually, the students themselves raised questions on difficult points encountered or on matters relating to the courses but not covered in the lesson material, and these questions were answered, sometimes at considerable length. On the average, two pages of each issue were devoted to this feature.

Collateral Reading

The Collateral Reading department began September 1, 1901 and continued through December 1, 1903 with only a few interruptions. It contained supplementary material bearing directly on the study courses, and during the two and a half years all sixteen subjects were covered, some to a greater extent than others. The information on these subjects was of educational interest not only to students in the Correspondence School of Banking but also to chapter members and other Bulletin subscribers. On the average, four pages of each issue were devoted to this section during the period of its operation.

Of special interest to chapter leaders and members was the

Among the Chapters

department headed Among the Chapters. In the earlier issues of the Bulletin, it contained general information on organization procedure and specific suggestions to chapters for carrying on their work. By this means, as already stated, the secretary's staff was able to exercise considerable guidance in the educational activities of the chapters. Announcements of new chapters organized, news items from existing chapters, reports of discussions and debates, notices of special work undertaken, educational programs, and reports of lectures and addresses were among the items that appeared in this section of the Bulletin. In brief, the object was to make it as complete an official report as possible of all that went on in the chapters.

Correspondence

In the Correspondence section were printed letters of inquiry from students, associates, and subscribers on matters relating to their daily bank work. Answers to these letters also were published if possible, or else the editor requested answers from Bulletin readers for subsequent publication. It was also an open department for the publication of comments, suggestions, and criticisms regarding the conduct of the Bulletin which the editors, in the first issue, had earnestly requested. The July 1, 1901 Bulletin, for example, contained the following letter from a subscriber in Frederick, Maryland: "I am in receipt of the second number of the Bulletin, and if there is a paper published that is 'Worth Its Weight in Gold' it is the Bulletin. You have the correct idea of what is most needed by four-fifths of the bank clerks. Of course the other one-fifth presume to 'know it all.' "

Of the many excellent editorials, only a few of the more unusual and outstanding ones can be commented on here.

Editorials

An editorial for July 1, 1901 stated: "That the facilities of the Institute would be extensively utilized by cashiers throughout the country, as well as by junior clerks, was not quite anticipated.

Such is the case, however, and the fact is extremely gratifying, although it involves much additional work for the Institute and may ultimately require courses of study of a more advanced character than at first contemplated."

A February 15, 1902 editorial gave expression to what has undoubtedly been a perennial problem for Bulletin editors. It quoted a letter from a subscriber in an Illinois town asking that the Bulletin be mailed to his home instead of to the bank. "I have missed two numbers," he said. "The cashier or some one else gets hold of it first and I never see it." The editor commented: "While it may be that there are high officials in the banks, some even so exalted as cashiers, who might derive benefit from the Bulletin, it is, nevertheless, somewhat unfair that they should read the paper at a clerk's expense. The home address is always the safe one, and then if the cashier wishes to read the paper he must borrow it after the subscriber has read it, or, better still, subscribe himself."

In the May 1, 1902 Bulletin the editor referred to a letter received from the secretary of Baltimore Chapter, who wrote that when Edgar G. Miller Jr. read his paper on bills of lading as collateral, several bank presidents and cashiers in the audience were so impressed with his presentation of the shortcomings of the law that they were instrumental in having the local clearing house employ him to draft four amendments to cover the deficiencies. The amendments, the letter said, were passed by the legislature and signed by the governor of Maryland.

Perhaps the most enlightening editorial from an educational point of view was one contained in the January 1, 1903 Bulletin. There, attention was called to a letter from a student in the bookkeeping course reproduced in the Talks with Students department. In that letter the student asked on what page and

line in the lesson section he would find the answer to a certain question, and he added that he had carefully gone over the lesson after having answered the question to the best of his ability but that nowhere could he find the exact information which would enable him to answer the question intelligently. The editorial commented:

> We are not surprised at his inquiry, because as a matter of fact the exact answer is not printed upon any given page or line of the lesson section. And yet, if the student will carefully read the section through and draw his own conclusions from what he has read, he will find that by using his reasoning power he can answer it satisfactorily. The principles are clearly set forth in the section; the application of those principles is the student's work, not the instructor's. It is the reasoning power of the student that the lessons in the correspondence school are intended to bring out. What we want every student to understand is that there is a purpose behind each question in the correspondence courses and that he should try his hardest to answer that question by the exercise of reasoning and thought. If by the aid of the material that is supplied him he can work out an answer, it will be far better for him in the end than if he merely repeated parrot-like, from memory, the definition or rule printed in the lesson section.

Educational Articles

The majority of articles contained in the Bulletin issues of these early years were related directly to bank work or to the correspondence courses. Bank Catechism, by William Post, assistant cashier of the Central National Bank, Philadelphia, was a series of five articles in which the author put in the form of questions and answers a large number of banking problems, believing that in this form the facts brought out would be more easily comprehended and remembered. Mr. Post also prepared a series of three articles entitled Sidelights upon the Loan and Credit Department. The William Waterbury series, Commercial Law as Construed by the Courts, ran in nine issues of the Bulletin. The lecture series conducted in Chicago, Baltimore,

and San Francisco chapters (referred to in the preceding chapter) were reproduced in instalments for the benefit of Bulletin readers. In addition, the outstanding individual lectures delivered before the various chapters as well as the best papers read by chapter members found their way into the Bulletin. Thus, if a subscriber had done no more than study carefully the articles appearing in this semimonthly publication, he would have received a liberal education in banking practice, commercial law, negotiable instruments, accounting, political economy, finance, foreign exchange, and many other subjects related to banking.

Interest of State Bankers Associations in the Institute

From the start, the state bankers associations showed great interest in the American Institute of Bank Clerks and sought to promote its work. Seymour S. Cook reported that the Minnesota State Bankers' Association had signified its interest and approval by authorizing Minneapolis Chapter to send delegates to future conventions of the association. The Bulletin for June 15, 1901 stated that the Institute officers had received numerous invitations to explain the character and plan of operation of the American Institute of Bank Clerks before various state conventions of bankers. On November 15, 1901 the Bulletin reported that Fred I. Kent had been a guest at the recent convention of the Illinois Bankers Association and that his description of the commendable work being done by Chicago Chapter had been listened to with interest and approval. "At this convention," the editorial continued, "a resolution was unanimously adopted giving Chicago Chapter official representation in the Illinois Bankers Association. Other chapters that may be hereafter organized in Illinois will be similarly honored." Another editorial in this issue announced: "The bankers of Oklahoma are enthusiastic in their support of the American Institute of Bank Clerks."

In the course of an address delivered before Pittsburgh Chap-

ter (and subsequently reproduced in the Bulletin), Joseph C. Lincoln made the following comments on what might be termed a significant by-product of Institute work:

A Significant By-Product of Institute Work

The object of the Institute is not to promote its members to cashierships and presidencies; yet promotions do come to Institute members more frequently than they do to outsiders. In most chapters there is an unwritten rule that no bank officer, that is, an assistant cashier or higher, shall be an active member of the chapter; he cannot hold office in it. San Francisco Chapter has had two presidents in a year because the former officers were made assistant cashiers. Minneapolis Chapter has had four presidents in two years for the same reason. Buffalo Chapter has had two presidents in two years; same reason again. St. Paul Chapter is at present without officers. Why? Because last month its president, vice president, and secretary were all made assistant cashiers, each in a different St. Paul bank. Is this merely a coincidence? I think not. If any of you think so, let me remind you that last year eighty-six per cent of the promotions of all the bank clerks of Chicago came from Chicago Chapter, and Chicago Chapter is in membership something less than one-fifth of the bank clerks of that city. Speaks pretty well for the quality of Institute membership, doesn't it?

Death of Secretary Kittredge

The April 1, 1903 issue of the Bulletin recorded the untimely passing of Secretary A. O. Kittredge at the age of fifty-five. By a strange coincidence, death came to Mr. Kittredge on March 23, the second anniversary of the effective organization of the Institute. Joseph C. Lincoln, then editor of the Bulletin, placed the following announcement at the head of the editorial columns:

It is with deep and heartfelt regret that the editor of the Bulletin announces to its readers the death of Mr. Anson O. Kittredge, president of the Account, Audit & Assurance Company, of New York City, and secretary of the American Institute of Bank Clerks since its conception. While in Boston a few weeks since, he was seized with a sudden and serious illness, which terminated in his death in that city on March 23. Mr. Kittredge had been an active and enthusiastic worker for the Institute since its organization and devoted much time and thought to its

advancement and to the general welfare of the bank clerks of America. He was heart and soul in the work; he believed that the American Institute of Bank Clerks is destined to be a force in banking affairs, and he realized that the young bank clerks of today are to be the bankers of tomorrow and should therefore be educated along the lines of their chosen profession in order that they may be ready to take up the higher duties and responsibilities when these shall be tendered them. His death will come as a shock to his many friends and admirers in the Institute. He founded the Bulletin, organized the Correspondence School, and took an active part in the administration of both up to the time of his death. As an accountant Mr. Kittredge was known all over the country. As the secretary of the American Institute of Bank Clerks he was equally well known. His friends were legion and mourners will be as numerous.

Prize Competition

In the July 15, 1903 issue the Bulletin announced the offer of a prize award, consisting of a free trip to the San Francisco convention of the American Bankers Association, October 20-23, to the writer of the best article on The American Institute of Bank Clerks and What It Has Accomplished, the closing date to be August 10. The September 1 Bulletin announced that the winner was W. F. Mackay, an active worker in Cleveland Chapter. Commenting on the contest in his report to the convention, J. B. Finley said: "Twenty papers, each one worthy of note, were prepared for this competition, all good examples of what the Institute has done and an indication of the good it can do."

The New Institute Secretary

The September 1, 1903 Bulletin carried an announcement of the election of George E. Allen as secretary of the Institute at a meeting of the Board of Trustees on August 21. Commenting on this event, the editor of the Bulletin said:

Mr. Allen, the new secretary of the Institute, is known to the majority of Institute members. He was for over a year assistant secretary of the organization, and in that capacity organized the Baltimore, Buffalo, Cincinnati, Cleveland, Detroit, Hampden County, Hartford, Philadelphia, Pittsburgh, Providence, Richmond, and Washington chapters.

The officers of these chapters will remember Mr. Allen as a forceful speaker, a good leader and one who accomplished results. The Bulletin congratulates Mr. Allen upon his appointment, and congratulates the Institute upon its new secretary.

This modest announcement heralded the inaugural of the man destined to lead (and that word is used advisedly) the American Institute of Banking out of the wilderness of uncertainty, suspicion, and selfishness into the promised land of stability, confidence, and accomplishment.

Bulletin Subscriptions

As a means of increasing subscriptions, the Bulletin, beginning August 15, 1902, offered each new subscriber a set of charts showing "the arrangement of the working forces of several of the leading banks in different large cities of the country, together with an outline of the duties connected with each department." These charts, which were a part of the correspondence course in Practical Banking, had created such general interest that the Institute had published them "in a handsomely bound booklet" for distribution as a premium to new subscribers at the $2 rate. The Bulletin continued this offer until February 1904.

On October 20, 1902 the secretary of the Institute reported that paid subscriptions to the Bulletin totaled 5,090. By October 1903 the total was about 6,000, and by September 1904 there were about 7,000 paid subscribers.

The Bulletin Editors

A. O. Kittredge and George E. Allen were co-editors of the Bulletin from June 1, 1901 to and including April 1, 1902. During this time Mr. Kittredge was responsible for Bulletin policy and contributed generously to the publication. Mr. Allen solicited articles and assisted in the preparation of editorials. The mechanical details were handled by Mr. Allen with the help of the assistant editor, Joseph C. Lincoln, who also contributed to the editorial columns.

The management responsibilities plus the Bulletin work proved to be too heavy a burden for Mr. Kittredge, and after April 1, 1902 he ceased to act as co-editor in order that he might devote more time and energy to the business of the Institute. Mr. Allen and Mr. Lincoln were co-editors beginning April 15, 1902. However, the chapter division of Institute activity, to which Mr. Allen had been assigned, consumed so much of his time and energy that he had to relinquish his co-editorship with the July 15, 1902 issue, and Mr. Lincoln assumed the title of editor on August 1, 1902. The Bulletin gives no clew to the date on which he severed his connection with the Institute, since the editorial department was discontinued June 1, 1904. It appears fairly certain, however, that he resigned his position as editor sometime during the late spring of 1905.

Beginning July 1, 1905 Mr. Allen assumed full charge of the Bulletin and continued as editor until July 1921.

Before leaving the subject of the Bulletin for the time being, it seems fitting to comment briefly on the man whose versatility as a writer contributed so largely to its success for a period of four years.

Joseph C. Lincoln came to the Institute from the League of American Wheelmen, where he had been editor of the organization's publication. While he was editor of the Bulletin, his contributions of entertaining articles and verse became more and more frequent and all were written in the quaint humorous style that made him famous as a writer of fiction, especially his Cape Cod stories. In a short history of the Institute written in 1919, George E. Allen paid this tribute to his former associate: "Lincoln's genius for fiction was manifested in Bulletin editorials, and his human magnetism did much to create the Institute spirit that never surrenders and never dies."

Joseph C. Lincoln

BALLADS OF BUSINESS · 1

THE UNWISDOM OF SOLOMON

BY JOE LINCOLN

Mr. Solomon Stiggles, he kept a small store
In a town by the shore, where his father before
And his grandfather also had kept one of yore.
And the sign lettered o'er the old-fashioned shop door
Read SOLOMON STIGGLES, just that and no more.

Mr. Solomon Stiggles sold sugar and hats
And collars for cats and bedsprings and slats,
And salt, shoes and scissors and bonnets and bats,
And pickles and spats and biscuits and mats,
And calico dresses and poison for rats.

Each morning he came, with a dignified gait
And a manner sedate, to his shop just at eight,
Neither one minute early nor one minute late,
And though callers might prate, he compelled them to wait
The pleasure of Solomon Stiggles the great.

It was Solomon's boast, one he made every day,
That he never would stray from his ancestors' way,
But would carry on business just as did they;
And advertisements gay and show-window display
Were "Undignified—very!" so Stiggles would say.

He sat in his shop all the day like a bump
On a log, or a stump, and his wallet grew plump,
For, with no competition, the folk in a lump,
Though they dubbed him a "chump," came to buy on the jump
Of "the only tin can," so to speak, "on the dump."

But alas for grim Fate, that our peace overthrows!
And though man may propose, 'tis the gods that dispose.
To the town where sat Stiggles in prosperous doze,
Came a chap with a nose and a loud suit of clothes;
His last name was Cohen; his first name was Mose.

And then on a lot that for years had been bare,
In plain sight, I declare, of the Stiggles arm-chair,
Rose a tart little, smart little building in air,
Dressed in signs debonnair, round, oblong and square,
That avowed that MOSE COHEN did business there.

And Mr. Mose Cohen he cared not for pride,
But just pushed it aside and let precedent slide,
While he went after trade with a seven league stride;
And the "booms" that he tried, though most undignified,
Were meant to coax people to buy—and they "buyed."

So Mr. Mose Cohen sold sugar and hats
And collars for cats, and bedsprings and slats,
And salt, shoes and scissors, and bonnets and bats,
And pickles and spats, and biscuits and mats,
While Solomon's patrons were June-bugs and gnats.

And he of the stately conservative mind,
With the methods refined of his grandfather's kind,
Was disgusted at first, and then blustered and whined;
And, as trade fell behind and the profits declined,
He grumbled and grunted and growled—and assigned.

And now when you visit that town by the shore,
If you pause by the door that the signboards galore
Inform us gives entrance to "Cohen's Great Store,"
And a man of three score is seen scrubbing the floor,
That man is S. Stiggles—his salary's "four."

Moral.

The moral is plain—just as plain as the nose
On the face of friend Mose: If you sit down and prose
About grandfather's ways, why, you may as well close!
For, in these days, to doze is to turn up your toes;
And you can't be a "dead one" and win: And that goes.

In 1932, in commenting on his forthcoming novel, Head Tide, which opens in a country newspaper office, Mr. Lincoln remarked that one of the only two editorial jobs he ever held was with the American Institute of Bank Clerks. He went on to say:

> Then it was in its infancy and its official magazine, the Bulletin, needed an assistant editor. I needed the salary and so, being offered the job, I took it. I continued to write my stories and verse evenings and Sundays. At last—or after a time—I became the editor. I used to travel about the country making addresses to groups of young bank clerks. A good many of the boys I then knew are now bank presidents or directors, so I feel they must owe me a great debt. I have never tried to cash in on the debt, but there it is, just the same. Later on, my stories and books became more lucrative than my editorial work, so I resigned the latter. The Bulletin is still in existence and, strange as it may seem, flourishing even without my hand at the helm. Very remarkable, but a fact nevertheless.

The Institute is indeed proud of the fact that Joe Lincoln's name and fame can be associated with its early pioneering days.

VII

An Adventure in Banking Education

THE Correspondence School of Banking, like almost everything else about the American Institute of Bank Clerks, was unique in its organization and methods of operation. Two special features served to distinguish it from other correspondence schools. One was that its courses, instead of being developed on broad general lines, were adapted to the specific requirements of a single business. The other was that the school was conducted without expectation of profit.

Prior to the organization meeting on February 15, 1901, A. O. Kittredge and his assistants spent considerable time formulating plans for an educational program which they felt would meet the needs of the bank clerks of the country. "At the outset," said Mr. Kittredge, "we had to determine, first, what the bank clerks wanted; second, how we could reach them with the supply." In other words, the market had to be analyzed, and then some means of supplying the market had to be devised.

It was estimated that the number of bank clerks in the country in the early 1900's totaled about 65,000. This sizable market for banking education was predominantly masculine. While there were some women bank clerks, for the most part they were employed in small banks and in minor capacities (if at all) in large banks. Relatively few were tellers. Even the stenographic and bookkeeping positions were largely filled by men. An Institute oldtimer, commenting on his contemporaries of these early days, once said: "They were a grand crowd of young men and I mean 'men' only, for a female clerk was a rarity." It is a safe estimate that the women bank clerks did not exceed 5 per

cent of the total and that in the cities, taken as a whole, the proportion was nearer 1 per cent.

Analysis of the Market

As far as background was concerned, comparatively few bank clerks had little more than a grammar school education. Even those who had attended the private commercial schools of the period had received only routine training in such subjects as penmanship, shorthand, typewriting, and bookkeeping. The majority of bank clerks, it was believed, were deficient in the fundamentals of English grammar, composition, and rhetoric as well as in spelling and penmanship.

Good penmanship was particularly important for bank clerks. Adding and accounting machines were "new-fangled" devices which the banks were not yet inclined to adopt to any great extent. Hence practically all record keeping was done in handwriting, and check listing was still a pen and ink procedure.

Mr. Kittredge and his staff came to the conclusion that an important objective of the Correspondence School of Banking should be to make up the bank clerk's deficiencies in primary education. But looking beyond this elementary instruction and recognizing the fact that a banker also required a knowledge of subjects that were specially related to his field, they planned courses of study that would round out the bank clerk's equipment for practical work. Their idea was that ultimately the curriculum of the school should include everything that could be "of advantage to the average clerk in qualifying himself for the highest responsibilities of banking."

Supplying the Market

The next problem was that of determining how the study courses could best be made available. The organization of local chapters was not feasible except in localities where upwards of fifty bank clerks were interested in taking advantage of the facilities offered by the Institute. Thus correspondence instruction

seemed to be the only possible means of reaching all the clerks. "The various correspondence schools of the country were very carefully investigated," Mr. Kittredge said, "their methods were inquired into, and more particularly the scope of their instruction was examined. We found it necessary to strike out in some respects into entirely untried lines."

The sixteen courses of the Correspondence School of Banking were described in the first issue of the Bulletin (as indicated in the preceding chapter), and complete instructions regarding registration were given.

Registration and Preliminary Examination

An applicant for instruction in a particular course was required (1) to fill out a registration form, giving particulars concerning his primary education and present position, his age, and other customary details, and (2) to submit to a brief general examination as to his qualifications for taking the course.

The Bulletin article asked the student to write the registration information on a separate sheet and attach it to the answers

REGISTRATION FORM FOR ALL COURSES

Date_____

1. Name _____
2. Business address _____
3. Home address _____
4. Age _____
5. Employed by _____
6. Capacity _____
7. Held position since _____
8. Former position _____
9. General particulars _____

_____

_____

to the preliminary examination. It also asked him not to repeat the wording of the printed registration form or of the questions in any examination, preliminary or otherwise, but merely to indicate on the sheet the subject or name of the course and then to number his answers according to the numbers of the questions. The registration form is shown on the preceding page.

Interesting sales arguments preceded the brief descriptions of certain courses. The following materials for spelling and English grammar illustrate the sales approach.

2. SPELLING

What is more mortifying to a young and ambitious clerk than to be found wanting in the ability to spell? What greater blemish is there in a business letter than misspelled words? How surely would an application for promotion be turned down if there were misspelled words in it!

There are well defined rules for spelling, even in a language as irregular as English.

There are methods by which words of similar meaning and different spelling may be distinguished. There are likewise ways and means of discriminating between words of opposite meaning but similar in sound. It is along lines such as these that the course of spelling is conducted. The student's deficiencies are carefully inquired into, and help is given him along practical lines.

PRELIMINARY EXAMINATION IN SPELLING

1. What instruction in spelling have you previously had?
2. What spelling books, if any, are accessible to you?
3. What special deficiencies in spelling are you aware of?
4. Are you more certain of yourself in spelling when you utter the letters, or do you sometimes judge by the appearance of the word after it is written?
5. How much time do you propose to devote to this lesson course?

3. ENGLISH GRAMMAR

How quickly you judge of a companion by the phrases he utters! If there is a lack of agreement between his verbs and nouns you instantly detect it. His faults of diction are quickly apparent to you. Very possibly your friends are equally cognizant of deficiencies of your own. If to the disgrace of poor penmanship there is added the vice of misspelled words, and on top of it the crime of bad grammar, all exemplified in the letters which the bank clerk writes, how can he hope for promotion or advancement of any kind?

The course of instruction in English grammar is greatly simplified, compared with ordinary school courses. Sentence-building is carefully presented, parts of speech are discussed in a way to make the student understand them, and finally, common errors are pointed out. The student's correspondence with the Institute is carefully scrutinized for the purpose of detecting his errors.

PRELIMINARY EXAMINATION IN ENGLISH GRAMMAR

1. What has been your previous instruction in English Grammar?
2. What books on grammar are accessible to you?
3. What special grammatical deficiencies do you experience?
4. Are you intimately associated with any one who is in position to call your attention to errors in speech?
5. How much time per day do you expect to be able to devote to this study?

If the preliminary examination revealed the need of more elementary work as a foundation for the subject desired, the student was informed of that fact, but there was no compulsion.

On registration, each student was given a number, which served to identify his lesson sheets and to record his examination papers for filing. Students were required, therefore, "to write their numbers in connection with their names upon all communications, including examination papers."

Sectional Study Courses

Instead of the usual textbooks, the Institute prepared its study material in ten sections for each course and supplied this material to students in printed pamphlet form a section at a time. As soon as a student was formally registered for a course, the first section was mailed to him, together with the necessary instructions. He was required to master this section and to write an examination on it before he could proceed further with his study. If his answers showed a satisfactory knowledge of the first section, the pamphlet for the second section was sent to him. If he failed to show the proper proficiency, he was asked to go over the section again and to submit another examination paper. Each student was expected to continue in this manner until he had finished all ten sections and then to take a final examination on the entire course.

It was anticipated that a student would be able to complete one section every three months, although he could proceed more rapidly or he could have more time if he required it.

Much of the study course material was still in the preparation stage at the time the June 1 Bulletin went to press, but the June 15 issue reported that the first sections of many courses had already been sent to students and that satisfactory progress had been made in most of the others. Commenting on the delay in the completion of the courses, a June 1 editorial said:

> The lesson courses of the Correspondence School of Banking are peculiar to this effort, and are unlike anything ever before attempted. By reason of their real utility they are calculated to appeal to practical men everywhere. If, therefore, in the completion of these courses, a little more time is being consumed than many of the friends of the movement have at the outset considered necessary, the reason is apparent. The Institute is working along original lines, and the care with which its lesson sheets are being prepared is a guarantee of their practical value.

PRACTICAL BANKING

Lesson Course No. 13

Section No. 1

CONTENTS

ANCIENT BANKING.—Banking in Babylon Six Centuries Before Christ—The Romans as Bankers—Vast Operations Under the First Caesar—Florence Follows Rome as the Financial Center of the World—Ancient Banking Methods.

BANKING EVOLUTION IN EUROPE.—Establishment of the Bank of Venice—Relationship with the Government—Bills of Exchange—Successful Depository—Bank of St. George at Genoa—Bank of Amsterdam and Its Functions—Bank Notes First Issued by the Bank of Sweden—Banking System of Germany.

BANK OF FRANCE.—Authority Vested in a Governor and Council—Napoleon's Idea of the Mission of the Bank of France—Rate of Discount — Circulation — French Banks of Discount—Three Signatures Required on Commercial Paper—Effects of the War with Germany.

BANK OF ENGLAND.—What It Is, and Why It Is So Safe—Its Privileges and Duties—The Issue Department and the Banking Department — Seven-Day and Other Bills—Proprietor's Capital—"Rest" —Notes and Gold—Government Securities and Other Securities—Object Lesson for the Financial and Commercial World.

EARLY AMERICAN BANKING.—Work of Robert Morris and Alexander Hamilton—Historic Meeting of Citizens in Philadelphia—Bank of North America—Various Bank Charters.

FIRST BANK OF THE UNITED STATES.—Hamilton's Plan Adopted After Overcoming Much Opposition in Congress—Influence of State Banks—Depreciated Currency—Varied Public Opinion.

SECOND BANK OF THE UNITED STATES.—Times of Varied Trouble and Prosperity —Public Deposits—Inflated Circulation—Specie Payments—Pennsylvania Charter—Liquidation.

MASSACHUSETTS AND SUFFOLK SYSTEM.—Legal Restrictions and Practical Efforts to Secure Redemption of Bank Notes.

INIQUITIES AND REFORMS.—Bank of New York — Politics and Charters — Bank of America—Safety Fund System—The Restraining Act of New York State—Free Banking System—Constitutional Restrictions.

STUDIES IN CIRCULATION.—Mr. Gallatin's Theory of Taxing Circulation Out of Existence—Free Banking Laws—Wild-Cat Currency — Evils of Unrestricted Bank Circulation.

The succeeding section in this lesson course will be sent only when the student has given satisfactory evidence of having wholly mastered the present section.

For instruction as to examinations see the special page preceding.

144-1-1 ACCOUNT, AUDIT & ASSURANCE CO., LTD., 25 PINE STREET, NEW YORK

Some idea of the amount of subject matter covered in a single section of a course may be obtained from the table of contents for section 1 of Practical Banking, Lesson Course No. 13, which is reproduced on the preceding page.

Correspondence Instruction in the A.I.B.C.

In the Correspondence School of Banking the student was not left to his own devices in the matter of studying the lesson sections. "The plan of the Institute," said the secretary, "implies something more than placing a large quantity of facts before the student. It is not what one reads, but what he intellectually digests that makes him intelligent. In correspondence education the suggestions and sympathy of the instructor are quite as essential as in the class work of ordinary schools."

As a part of *each section* of every study course, the Institute supplied a page of instructions headed Advice to the Student and a sheet of explicit instructions in regard to examinations. Sample sheets were illustrated in the Bulletin, and since they speak for themselves better than any description possibly could, they are reproduced in this chapter.

The Institute also supplied its students with time record sheets something like the form on page 88. This form gave the student a convenient means of keeping a weekly record of the time spent in study. The seven spaces above the initials indicating the days of the week were for entering the days of the month. The three spaces below each day were for recording the morning, noon, and evening time devoted to study. The time sheets were to be submitted with the student's final examination paper.

Sectional Examinations

The first sectional examinations for Commercial Law, Penmanship, Spelling, and English Grammar were published in the July 15, 1901 Bulletin. Commenting on the questions, the Bulletin said: "It will be noticed that few of the questions can be answered by a simple Yes or No. The idea is to bring out in

ADVICE TO THE STUDENT

If you have not had previous experience in home study, conducting your work either under the direction of a correspondence instructor, or upon the advice of a friend, or without any help outside of yourself, you very likely have something to learn with respect to management of study work. To study under the teacher's immediate eye is one thing and to study under your own management is quite another. To go to school, devoting your whole time to work and giving attention to those matters laid out for you by the teacher, is one thing, and to devote a portion of your spare time to study and investigation, quite another.

To accomplish the best results, you should be systematic in your work, devoting not only so much time per day to study, but such particular portions of each day. Your system should extend so far as to record the actual time that you devote to study each day. Facilities for keeping records of this kind are furnished with this lesson course.

Your proficiency will depend not alone upon the time you spend in study, but more particularly upon the thought that you devote to the study when away from your books. Learn to think out what the lessons mean and to ponder upon their applications. Reviewing in memory during the day that which you read early in the morning or during the preceding evening will be worth more to you than the same amount of time devoted to actual study.

Self-examination, when the habit has been once acquired, is the best examination to which any young man can subject himself. Self-management is likewise of the greatest importance. In this work you have no one to cheat but yourself, and this fact is likely to make you very thorough in what you do and very conscientious in the way in which you use your time and exercise your mental powers.

So far as possible, put into immediate use whatever you can of what you acquire. When opportunity presents, talk over your study work with others. If you are able to tell your companions just what the lesson is and what it means, you have very satisfactory evidence of having mastered it.

SAMPLE PAGE FROM A STUDY COURSE

EXAMINATIONS

All the examination questions pertaining to this course will be found in the periodical known as the Bulletin of the American Institute of Bank Clerks. By an examination of the pages of that paper it will be seen that questions pertaining to this course appear in series at frequent intervals.

Whenever you have satisfied yourself that you are ready for examination on any section of this course, consult your file of the Bulletin, thereby discovering the set of questions last published applying to that section. You may find it in the current number or it may be some time back.

Without further instructions proceed to answer the questions according to these general directions, and any special instructions that may be published in connection with the questions. When the answers are completed, mail your papers to the Secretary.

Do not repeat the questions, but instead number your answers corresponding with the questions.

Write on one side of the paper only, using sheets approximately 8½ x 11 inches in size. Put your name and number on each sheet and also the number of the series of questions to which you are replying.

Send your examination papers folded. Do not roll them.

In the final examination you will be asked to send in all your work, returning at the same time your lesson sheets, time record, etc. The final certificate will only be issued after viewing the student's actual work as well as his answers to the questions proposed.

The student is on honor in all examinations. You are to write out the answers without referring to the lesson sheets or to any book and without consulting any person. If in any respect you cheat in the examination, you cheat only yourself.

The certificate which you finally obtain, indicating your progress in this work, will do you no real good save only as it represents actual facts.

FACSIMILE OF INSTRUCTIONS TO STUDENTS ON EXAMINATIONS

a practical way the knowledge which the student has gained in the pursuit of his work, this being more particularly essential in a correspondence school than in educational work conducted in ordinary classrooms."

MONTH:				YEAR:		
S	M	T	W	T	F	S

STUDENT'S TIME RECORD

Sectional examinations also appeared in the August 15 and October 15 issues, and beginning November 1, 1901 they were a regular feature of the Correspondence School of Banking department to and including September 1, 1903. Periodically, there was published a table of Bulletin dates showing the issues in which sectional examinations for the various courses appeared, so that the student could refer to the proper issue when he was ready to write a particular examination.

On July 15, 1903, two years after the first publication of examinations, the tenth and *last* sectional examination in Commercial Law appeared in the Bulletin. The record of examinations for all courses on that date was as follows:

EXAMINATIONS ISSUED FROM
JULY 15, 1901 TO JULY 15, 1903

Study Course	Number of Sections
1. Penmanship	5
2. Spelling	5
3. English Grammar	6
4. Composition and Rhetoric	6
5. Business Correspondence	4
6. Shorthand	6
7. Typewriting	5
8. Commercial Geography	5
9. Financial and Commercial History	4
10. Bank Arithmetic	6
11. Double Entry Bookkeeping	5
12. Bank Bookkeeping	1
13. Practical Banking	6
14. Commercial Law	10
15. Government	1
16. Practical Finance	2

The table of Bulletin dates published in the August 1, August 15, and September 1, 1903 numbers showed no change from the July 15 table, and the few sectional examinations that appeared in these issues were merely repetitions of those published previously. *No sectional examinations* and *no tables of dates* were published after September 1, 1903. There is nothing in the records to show whether any of the Commercial Law students wrote the tenth sectional examination.

Why was the established procedure abruptly stopped? What had happened to the Correspondence School of Banking?

What Had Happened?

First of all, the expectation of the Committee on Education that the courses would be taken by large numbers of chapter members as well as by non-chapter students did not materialize. That this was the expectation is borne out by the remarks of William C. Cornwell at the preliminary meeting for the organization of Chicago Chapter early in April 1901.

> The backbone of the Institute is its correspondence school. Here is where the good comes to the individual. It is hard digging on your part, each at the branch in which he is deficient, but such work will prove of incalculable benefit to you. This can be carried on without a chapter, but the benefit of the chapter will be that you can get together and discuss the things you are studying, hold debates and have expert addresses on them and kindred subjects, and so your individual work will be vitalized by the electric touch of each other's minds, and the meetings will be thus remarkably interesting.

The only detailed record of enrolments that has been preserved is one contained in the secretary's report for October 20, 1902. This report shows a total of 714 *enrolments*.

1. Penmanship	68
2. Spelling	20
3. English Grammar	53
4. Composition and Rhetoric	55
5. Business Correspondence	32
6. Shorthand	25
7. Typewriting	11
8. Commercial Geography	16
9. Financial and Commercial History	21
10. Bank Arithmetic	63
11. Double Entry Bookkeeping	49
12. Bank Bookkeeping	36
13. Practical Banking	123
14. Commercial Law	118
15. Government	6
16. Practical Finance	18
Total	714

The report does not show the number of individual students represented in the 714 enrolments; nor does it give any indication of the extent to which chapter members availed themselves of the Institute's correspondence courses. The secretary's report for 1903, however, does give such information, although it does not show the enrolments in the various courses. On August 20, 1903 there were approximately 800 enrolments and 532 individual students. Only 57 of these 532 students were chapter members.

Of the estimated 65,000 bank clerks in the early 1900's, slightly more than 50 per cent were said to be employed in city banks and the remainder in country banks. Certainly an educational program which, during a period of two years, could tap no more than 1.6 per cent of its potential market among country bank clerks and could attract only 57 out of approximately 3,000 chapter members was due for an overhauling.

Judging by the contents of the Talks with Students and Collateral Reading departments of the Bulletin, the authors of the study course material were men of exceptional ability; therefore the lesson sections were unquestionably of high quality. It is obvious, too, that the correspondence school was conducted in a systematic and thorough manner. Were the courses too elementary in nature? Was the sectional examination procedure too long-drawn-out? Did the lack of continuity of subject matter in the sixteen courses have anything to do with the situation? Was the time element for completing a course too elastic?

Whatever the reasons, the program clearly was "bogging down." Chapter XII will tell the story of what the Board of Trustees and the Institute officers did about the matter.

And now, let us see how the committee on arrangements made out with its convention project.

VIII

First National Convention of Chapters

FOLLOWING the conference of chapter leaders at Cincinnati on May 31, 1903, the committee on arrangements for the convention lost no time in making plans. The July 1 Bulletin carried the story. The convention was to be held in Cleveland, Ohio, September 18 and 19, 1903. As indicated in Chapter V, the personnel of the enlarged committee on arrangements was as follows:

Fred I. Kent, chairman, Chicago Chapter, First National Bank
S. Ludlow Jr., secretary, New York Chapter, Fourth National Bank
Alfred M. Barrett, treasurer, Alexander Hamilton Chapter, Western National Bank of the United States, New York City
D. C. Wills, Pittsburgh Chapter, Mellon National Bank
E. E. Kehew, Pittsburgh Chapter, Keystone Bank
Clay Herrick, Cleveland Chapter, City Trust Company
C. W. Dupuis, Cincinnati Chapter, Western German Bank
J. C. Fenhagen, Baltimore Chapter, Merchants National Bank
R. M. Richter, St. Louis Chapter, International Bank

Toward the end of June the secretary of the committee sent the following communication to all chapter presidents.

Dear Sir:

At a meeting of chapter representatives from seven cities, held at Cincinnati on May 31st, it was decided to hold a convention of chapters in Cleveland, Ohio, on September 18 and 19, 1903.

The Cleveland Chapter will act as host on that occasion, and, being assisted by the banks and clerks of their city, the members assure us of a most cordial welcome and profitable visit.

The committee having the arrangements in charge urges each chapter and Institute member to give his full cooperation.

Each chapter will be entitled to one delegate-at-large and one delegate additional for each twenty-five members.

A. I. B. C.
First Annual Convention,
Cleveland, Sept. 18-1903.
A.L. Newm
Photog
1903

Delegates may be elected by members, appointed by the board of governors or chairman, or in such other way as the chapters elect.

Expenses of delegates to and from Cleveland must be borne by the chapters or delegates. It is expected, however, that the Trunk Line Association will quote special railroad rates of one fare and one-third for the round trip. Many bankers, realizing the benefit which must accrue to their institutions through the work of our Institute, have given assurances that the expenses of delegates elected from their banks will be met by them, and many more will no doubt make the same generous offer.

Chapter officers are requested to take steps at once toward the selection of delegates and to advise the secretary of the committee as soon as possible as to the number they will send.

Among the features of the convention will be a general discussion on chapter work, the reading of some special papers by members on practical banking subjects, an intercity debate between the representatives of Cleveland, Cincinnati, and Pittsburgh chapters (the winners of the Cincinnati debate) and representatives selected from three eastern chapters; also addresses by prominent bankers from different parts of the country, in addition to numerous entertainment features.

The affair will be handled on schedule time, and as much practical work as possible crowded into the two days' meetings.

Cleveland, being a central location, with good railroad facilities, delegates from most chapters will be able to attend without taking more than two days from their banks.

In order that the preliminary expenses of the committee may be met, they have taken the liberty to levy an assessment of ten cents per member upon each chapter, and ask that such assessment be promptly paid. Checks should be sent to Mr. Alfred M. Barrett, treasurer, care of Western National Bank of the United States, New York City. Prompt action and reply is looked for from chapter officers, who can secure further information by applying to

Fraternally yours,
S. Ludlow Jr., Secretary

Subsequent issues of the Bulletin recorded the progress of the committee on arrangements and reported enthusiastic interest on the part of the chapters.

Joseph C. Lincoln attended the Cleveland convention and prepared a story of the proceedings for publication in the October 1 Bulletin. Because the account is so lively and descriptive and because of its historic significance, a large part of it is reproduced here.

The Story of the Convention, by Joseph C. Lincoln

"Well, we have held our first convention and the question that will be asked by every one not present in Cleveland on September 18 and 19 will, of course, be: 'Was it a success?'

"Those who were privileged to be present in the beautiful city by Lake Erie will ask no question of this kind. They know the convention was a success, a wonderful success, and they have gone back to the chapters that sent them filled with an enthusiasm for the Institute and its work such as they have never felt before, and there have been some pretty enthusiastic men among them, too.

"It is hard, writing as we do with the memory of the convention fresh in our minds, not to be overenthusiastic concerning this first gathering of our association. It is hard not to throw up our hat and cheer, even in cold type, for the convention, for our hosts in Cleveland, and for every man there; but we will try to tone down this exuberance somewhat and tell the story of the convention briefly.

"To begin with, the attendance was surprisingly large. There were one hundred twelve accredited voting delegates on the floor of the convention hall, representing twenty-three chapters. Besides these there was a large number of Institute members who visited the convention not as delegates, but merely because they wished to be present at the gathering, even though they were not entitled to vote. It is safe to say that every visitor of this kind felt more than repaid for his trip and the time and money spent.

"The majority of the delegates arrived early Friday morning, September 18, although there were a number of arrivals on Thursday. From Pittsburgh came an enthusiastic carload made up of the Pittsburgh delegation and visiting members, the Baltimore delegation, the Washington delegation, and the members from Philadelphia. From Chicago came a happy crowd, consisting of the Chicago delegation and members, the delegates from San Francisco, Salt Lake City, Minneapolis, St. Paul, and Milwaukee. Denver also sent one delegate. Detroit Chapter had its full delegation. There were present delegates from Buffalo, Richmond, and St. Louis. From New York a special car brought the delegates and visitors from Alexander Hamilton, New York, Brooklyn, Hartford, and Hampden County chapters. Every active chapter of the Institute, with the exception of Los Angeles, Grand Rapids, and Topeka, was represented.

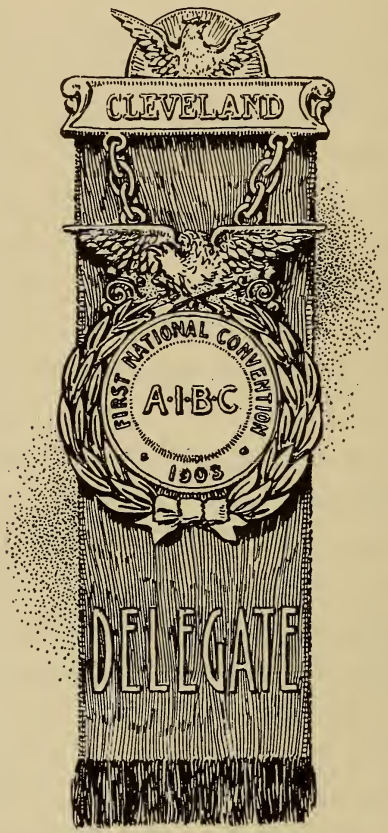
"The delegates, as they arrived at the Hollenden Hotel, the convention headquarters, were welcomed by Cleveland Chapter's reception committee, and the cordiality of this welcome was but a foretaste of the hospitality of the entertaining chapter.

"Each visitor registered in a large book specially prepared for the purpose and after he had done this was given the handsome convention badge, having in the center a silver circle bearing the letters A.I.B.C. It was mounted on a green satin ribbon and was attached by a pin to the coat of the wearer. The badges for the delegates had the word 'Delegate' in gilt letters printed across the ribbon. For those who were Institute members but not delegates the ribbons were plain." Copies of the official program also were distributed.

"Promptly at 10:30 the convention was called to order by Fred I. Kent, chairman of the committee on arrangements. Clay Herrick, president of Cleveland Chapter, was nominated and

First Session Sept. 18

elected temporary chairman of the convention, and S. Ludlow Jr., of New York, was elected temporary secretary. These officers being escorted to the platform, the roll call of the chapters to ascertain representation followed.



THE CONVENTION BADGE.

"Colonel J. J. Sullivan, president of the Central National Bank of Cleveland, delivered the address of welcome. George E. Allen, the newly elected secretary, spoke briefly, outlining the purposes of the Institute and giving every chapter member some good advice.

"The report of the credential committee was the next thing on the program, but what really followed was a discussion as to how this committee should report, in which discussion many delegates took part and which consumed a good deal of time. These discussions were rather humorous and more or less to the point. While they showed that every delegate was interested, they also wasted valuable time and, probably, in our next convention will be shortened considerably. However, the discussion was ended at last and the roll call of qualified delegates took place."

The chairman appointed the following as members of the committee on permanent organization: F. I. Kent, Chicago; S. Ludlow Jr., New York; D. C. Wills, Pittsburgh; J. C. Fenhagen, Baltimore; A. M. Barrett, Alexander Hamilton; R. M. Richter, St. Louis; J. H. Puelicher, Milwaukee; and Arthur Brown, Salt Lake.

"The program said that 'regular business' was to be the next thing, but this business turned out to be more or less irregular. Everybody wanted to know things, and it took a good deal of time to enlighten them. However, the first session of the convention adjourned at about 12:30, to convene again at 2 o'clock. The delegates scattered for luncheon.

Afternoon Session Sept. 18

"About two-thirds of the assembly were in their seats when Temporary Chairman Herrick called the afternoon session to order. There had been several temporary committees appointed, one of which was to consider the advisability of forming a federation of chapters. The federation idea was by no means clearly understood by the majority of the delegates, many of whom had never before heard of the proposition, and there was considerable opposition to the formation of a federation of any kind. The committee, which had been appointed to consider the advisability

of such a scheme, was not ready to report, and as none of the other temporary committees were ready, Chairman Herrick proceeded with the next item on the program, which was a short talk by Joseph C. Lincoln, editor of the Bulletin.

"The next speaker was Charles H. Sumwalt, who described the progress of work in the Correspondence School of Banking and particularly urged a plan for the more close connection of this branch of the Institute with the chapters.

"The credential committee read its report, and then followed a discussion concerning the railroad rates for the return trip. It being ascertained that there was a sufficient number of delegates to secure the reduced rates offered by the railroads, everybody felt happier and there was a sense of relief.

First Institute Conference

"Then came what the program called a 'formal and informal discussion of chapter work,' and these discussions were perhaps the most enjoyable and profitable features of the whole convention. The first subject was Chapter Lectures, discussed by Walter H. Mullins, Chapin National Bank, Springfield, Mass.; J. H. Puelicher, Marshall & Ilsley Bank, Milwaukee, Wis.; and C. A. Peple, State Bank of Virginia, Richmond, Va. At the conclusion of the formal discussion of each subject, ten minutes' informal discussion took place, in which questions were asked by delegates from the floor and answered by the speakers. By means of these questions many interesting points were brought out.

"The second subject was Chapter Libraries, the speakers being Henry T. Holt, Aetna National Bank, Hartford, Conn.; R. M. Richter, International Bank, St. Louis, Mo.; and Arthur Brown, Bank of Commerce, Salt Lake City, Utah.

"The third subject, Permanent Quarters for Chapter Work, was discussed by W. F. Mackay, Cleveland Trust Co., Cleveland, Ohio; M. F. Bauer, American Exchange National Bank,

New York City; and E. S. Eggers, N. Holmes & Sons, Pittsburgh, Pa. Mr. Mackay, as the winner of the trip to San Francisco and return, in the Bulletin's recent competition, was given a great reception and was cheered.

"The fourth and final discussion was on Chapter Work Which Gives the Most Practical Results. The speakers were R. W. Saunders, Merchants Loan and Trust Co., Chicago, Ill.; Gilbert A. Harrington, Rhode Island Hospital Trust Co., Providence, R. I.; and William A. Day, Bank of California, San Francisco, Cal.

"The program for the afternoon being ended, the convention adjourned until 8 o'clock.

First Convention Debate Sept. 18

"The feature of the evening was the intercity debate, and the large Hollenden convention hall was crowded when R. M. Richter, president of St. Louis Chapter and member of the debate committee, called the meeting to order. He introduced C. W. Dupuis, of Cincinnati, chairman of the debate committee, who acted as presiding officer. D. C. Wills, of Pittsburgh, was the official judge of time.

"The judges of the debate were H. Clark Ford, president of the Garfield Savings Bank Co., of Cleveland; Prof. Edwin F. Moulton, superintendent of public schools, of Cleveland; and Thomas B. Paton, editor of the Banking Law Journal, New York. Mr. Paton consented to serve in the absence of Hon. Carlos M. Stone, who was unable to be present.

"The question for the debate was: Resolved, That the collection of country checks at par is contrary to general business principles. The speakers for the affirmative were F. B. Gilmore, Central National Bank, Washington, D. C.; John Gillett, Detroit Savings Bank, Detroit, Mich.; and A. H. Jones, Corn Exchange National Bank, Philadelphia, Pa. For the negative were

Harry Evers, Manufacturers and Traders National Bank, Buffalo, N. Y.; A. V. Gardiner, Northwestern National Bank, Minneapolis, Minn.; and J. L. Guild, Union Trust Co., Providence, R. I.

"The rules of the debate were that each debater should be allowed twelve minutes; that the affirmative side would open the argument; that each side would be allowed ten minutes in rebuttal; that the affirmative side was to have the last say, since the burden of proof rested upon them; and that no new argument should be presented in the rebuttal.

"We will not comment upon the debate further except to say that it held the interest of the audience from first to last, that it was a lively tussle, and that the judges decided that the negative won. There was the best of good feeling throughout, and no soreheads after the decision was rendered. When it was rendered the meeting adjourned with alacrity and took the special cars for the University Club, where the members of Cleveland Chapter had provided an entertainment in the shape of a smoker and buffet lunch.

Meeting of Committee on Federation

"While all this was going on, that hard-worked committee on federation was laboring overtime. The result of their deliberation was an agreement to refer the matter to J. B. Finley, president of the Board of Trustees. Mr. Finley was called up on the long distance 'phone, at his home in Pittsburgh, and very kindly consented, at considerable personal inconvenience, to take the next train for Cleveland, in order to confer with the committee on the subject. He reached Cleveland at about 10 o'clock that night, and was closeted with the committee until 3 o'clock the following morning. It was decided that the report of the committee to the convention should be in the form of a resolution, said resolution to read as follows:

Fred I. Kent

That a committee of five be appointed by the chair for the purpose of considering a proposition for the establishment of a confederation of chapters, the same proposition to be submitted to the Board of Trustees of the American Institute of Bank Clerks, and in turn to the chapters for their approval. If the chapters do not approve of it, then it is to be referred back to the trustees.

"This result having been arrived at, the members of the committee went to bed and were glad of the opportunity to do so.

Morning Session Sept. 19

"Saturday morning's session had a full attendance when Temporary Chairman Herrick struck the desk with his gavel and called the meeting to order. The first thing on the program was the appointment of permanent convention officers. The announcement of this business was the cause of some little discussion among the members, some of whom wished to be informed as to what officers were to be elected. It was distinctly stated that the officers elected were officers for the convention, to hold over as convention officers until the meeting in 1904, that they were not to be officers of any federation, none such having been formed, but would be convention officers merely.

"While this discussion was going on it was announced that President Finley was about to enter the convention hall, and the delegates arose to receive him. Mr. Finley was received with enthusiastic cheers and handclaps, and upon invitation of the chairman took a seat on the platform.

Election of Convention Officers

"The delegates then proceeded to ballot for permanent chairman of the convention. R. C. Wilson, president of Chicago Chapter, nominated F. I. Kent of that city, the former president of Chicago Chapter. Mr. Kent was unanimously elected permanent chairman, and he assumed the chair. It was announced that three vice presidents were to be nominated, one from the far West, one from the Central States, and one from the East. For the far West, J. W. McDermott, of San Francisco, was

nominated and unanimously elected. For the Central States, R. M. Richter, of St. Louis, was nominated and elected. The contest for vice president from the East was quite exciting. J. L. Guild, of Providence, was nominated, as were S. Ludlow Jr., of New York, A. H. Jones, of Philadelphia, and D. C. Wills, of Pittsburgh. The contest narrowed down to a vote between Messrs. Wills and Ludlow. Mr. Ludlow was declared elected. Then followed the nominations for secretary. Clay Herrick, of Cleveland, was elected unanimously. Mr. Herrick now took Mr. Ludlow's place, as secretary, upon the platform. For treasurer there was but one nomination, that of C. W. Dupuis, of Cincinnati, and Mr. Dupuis was declared unanimously elected.

Report of Committee on Federation

"Then A. M. Barrett, of the federation committee, rose to move the resolution already mentioned. Mr. Barrett, in offering this resolution, stated that while personally he had been and was still opposed to a federation of chapters, nevertheless the committee felt that, as all matters of this kind must, of necessity, be referred to the trustees of the Institute before any action could be taken by the chapters, it would be better to submit this proposition to the trustees for their consideration. If the trustees disapproved, nothing further would, of course, be done; if they approved, the committee would report to the chapters, and these chapters would decide, each for itself, whether a federation should be formed or not.

"Some rather sharp discussion followed this motion. The opposition to the federation was so strong on the floor that it was difficult to prevent a number of the delegates from giving their views on the subject. J. C. Martine, vice president of New York Chapter, spoke strongly against federation, urging that there was no necessity for such a movement. R. M. Richter, of St. Louis, urged that such a federation would be a good thing and a help

to the Institute and the chapters. Ira C. Harper, of Pittsburgh, declared that discussion on the subject was useless and that it led to nothing, as the motion was before the house to leave the whole matter to the trustees. He urged immediate action on the motion. Mr. Barrett's motion was carried, and the entire question of a federation inside the Institute, which its adherents claimed would act under the direction of the parent body and work with it, was left in the hands of the committee for discussion and ultimate action by the trustees.

"President Finley was then asked to speak. He gave an inspiring address and one that should act as a tonic for every Institute member. Mr. Finley had been through the mill himself and knew what to say to bank clerks."

By a unanimous vote of the delegates, St. Louis was selected as the 1904 convention city.

Other Business

"A resolutions committee was appointed to draw up resolutions of thanks to Cleveland bank officers, Cleveland Chapter, Mr. Finley, and others, and these resolutions were reported upon later in the morning and adopted.

"A committee was appointed for the designing of a permanent emblem for Institute members.

"Other business of this kind and the discussions that ensued so consumed the time that it was deemed advisable to do away with the reading of the papers which the program called for. These papers were to have been as follows:

Unread Papers

1. Discounts and Collections, Frank Otterman, First National Bank, Cincinnati, Ohio

2. Banking, East and West, G. H. Richards, Farmers and Mechanics Savings Bank, Minneapolis, Minnesota

3. The Banker's Public Services, J. C. Martine, National City Bank, New York

4. Interest on All Classes of Deposits, F. L. Johnson, National Bank of Commerce, St. Louis, Missouri

5. The Banker as a Moral Force, William E. Stevens, Dollar Savings Bank, New York

6. Clerk and Client, J. S. Swartz, City Deposit Bank, Pittsburgh, Pennsylvania.

"The convention then adjourned, to meet at 1:30 for the tally-ho ride.

Tally-Ho Ride

"Nine tally-hoes drew up in front of the Hotel Hollenden at 1:30 Saturday afternoon and each one was crowded to its utmost capacity. A bugler, who knew how to 'bugul,' was in the first tally-ho and, when the procession started, it was indeed a procession. The objective point, the Euclid Country Club, was finally reached. After leaving the club the party boarded the tally-hoes again and returned to the hotel, having spent an afternoon that each one will remember the longest day he lives.

The Banquet and After-Dinner Speaking

"There was just time to dress when the banquet hour arrived. The big convention hall had been turned into a banquet room, with tables that would seat over three hundred guests, and every seat was occupied. The music was furnished by an orchestra in the balcony.

"As for the dinner itself, it was all that was expected, and every one expected a good deal, knowing from their two days' experience what Cleveland Chapter was capable of.

"The speaking that followed was a treat. Geo. W. Cady, vice president of the Savings, Building and Loan Co., of Cleveland, introduced Clay Herrick as toastmaster.

"The formal speakers for the evening and the toasts to which they responded were:

To the American Bankers Association, Charles W. Dupuis, Cincinnati

To the Institute, Alfred M. Barrett, Alexander Hamilton (New York)

To the Bank Officers, J. C. Fenhagen, Baltimore

To the New Chapters, Roderick P. Fisher, New York

To Our New Fraternity, Ralph C. Wilson, Chicago

Up-to-Date Manhood as Interpreted by the American Bank Clerk, O. M. Stafford, secretary and treasurer of the Broadway Savings and Trust Company, Cleveland.

"Charles B. Mills, cashier of the People's Trust and Savings Bank, of Clinton, Iowa, and the newly elected member of the educational committee of the American Bankers Association, was asked to speak, and he gave a few words of exceedingly good advice to bank employees and to Institute members in particular. His remarks were received with enthusiasm.

"Chairman Kent adjourned the convention sine die.

Homeward Bound

"A portion of the delegates left for home immediately after the banquet, but the great majority remained in Cleveland over Sunday, taking trains at noon, at four o'clock in the afternoon, and in the early evening. Each one among them left for his home city ready to swear that the Institute was the finest organization on earth and that the members of Cleveland Chapter were the best fellows and the most liberal entertainers alive."

Mr. Lincoln published his reactions to the convention in a Bulletin editorial (October 1, 1903) which deserves a place in this story.

Joseph C. Lincoln's Editorial

Now as to the actual work accomplished by the convention. Any one who sat in the Hollenden convention hall on that first day and listened to the papers on chapter work read and discussed by the delegates, will, we feel sure, be satisfied that the chapters of the Institute are accomplishing even more than was expected of them when the organization first began its labors. The addresses at the banquet were delivered without hesitation, were to the point and would compare in general average

very favorably with those delivered at any banquet of any organization anywhere. It must be remembered that the Institute is but two years old; that the men who spoke at this banquet and on the floor of the convention hall were, most of them, employees of banking institutions and men who, before they joined the chapters of the Institute, had had few opportunities to speak in public and very little practice in thinking upon their feet, and yet these men are now capable of expressing themselves before a gathering of three hundred clearly, concisely, and without confusion or the least symptoms of stage fright. The Institute has done that much for them at any rate, and it has done far more, as every man at Cleveland was ready to testify. The enthusiasm for the Institute is greater now than it ever has been, and the convention has done much to bring this about.

One of the debate judges at the Cleveland convention was Thomas B. Paton, editor of the Banking Law Journal, New York. (Subsequently, he was general counsel of the American Bankers Association, from May 1908 until his death on March 28, 1933.) Mr. Paton attended the convention in the interest of his journal. He did his own thinking and he was a discriminating judge of men. It is interesting to note his impressions of the men attending the convention, as he expressed himself in the October 1903 issue of the Banking Law Journal.

Banking Law Journal Editorial

There is one result foreseen of this educational movement of bank clerks which strikes the writer most forcibly, namely, the creation, in the younger generation of bankers, of a body of speakers, whose voice will be most potent in shaping governmental policy in state and nation. At the present day it is the exception rather than the rule that the banker is a public speaker. His head is full of wisdom and common sense, he knows what is right doctrine and what is wrong, and among his friends and acquaintances his words are most convincing; but, speaking broadly and allowing for numerous exceptions, he lacks the ability to stand before an assemblage of his fellowmen and impart what he himself knows. Too often must he give way to the demagogue, who sways the multitude with his specious harangue and, by mere force of his unanswered fallacies, carries the day. With the advent of the American

Institute of Bank Clerks there seems destined to spring into being, all over the country, men who not only will have the knowledge, but the ability to impart it in a convincing way; each chapter is a debating club, where many young men receive a training and acquire an ability as public speakers, so necessary a part of the education of a citizen in a free commonwealth; and it would seem as a result of this that the true nature of the banker's calling as a promoter, rather than an enemy, of the general welfare, and the benefits to the people of the economic propositions for which the banker stands, will receive a better hearing and make a more convincing impression upon the general public in the future than has been the case in the past.

It does not seem amiss to include in the story of the first convention a brief account of the event prepared by George E. Allen in 1919 for his short history of the Institute.

George E. Allen's Historical Account of the Convention

The first Institute convention, held at Cleveland, September 18 and 19, 1903, marked an era in Institute history. Did you ever see a dog laugh? One did when he beheld the delegates assembled at Cleveland. His Dogship was a thoroughbred and occupied the position of Deputy House Detective at the Hollenden Hotel, where the convention headquartered. His sides shook until they were sore, and the delegates bandaged him with a picturesque blanket on which the term "Bank Clerk" was artistically lettered. Thus decorated he was recognized as the Institute mascot as long as the convention lasted.

His Dogship was a keen observer of persons and things then and there, but he lacked vision of the future. He did not see in a certain delegate from Chicago the man destined to control for the United States Government international financial transactions during the greatest war in world history. He did not see in a certain delegate from Pittsburgh the man destined to be chairman of the Federal Reserve Bank of Cleveland, an institution yet undreamed, a few blocks away. He did not see in a certain delegate from Milwaukee a man destined to serve with conspicuous efficiency in fields of constructive finance and patriotic statesmanship. He did not see in a certain delegate from New York a man destined to serve the Empire State in the supervision of metropolitan transportation in its greatest crisis. He did not see that the majority of the youthful delegates in attendance at the convention

were destined to be bank officers, many of national and some of international reputation. He did not see that the Institute itself was destined to elevate the standard of American banking and transform it from a trade into a profession.

A significant event in Institute history was a proposition introduced at the Cleveland convention to federate the chapters into a national organization more or less independent of the Board of Trustees. The question divided the delegates, and conferences and caucuses were numerous and animated. Something of a crisis was finally reached, and President J. B. Finley of the Board of Trustees was asked by telephone to come over from Pittsburgh and participate in the proceedings. When Mr. Finley arrived in Cleveland, as he speedily and graciously did, the delegates found in him a genial companion. He suggested in a persuasive way that a federation of chapters might create duplicate machinery in Institute administration and thus contravene modern principles of conservation of energy. Everybody finally coincided with this proposition, but everybody realized nevertheless that the chapters themselves were destined ultimately to be the Institute.

Of course the delegate from Chicago to whom Mr. Allen referred was Fred I. Kent. The young man from Pittsburgh was D. C. Wills. The delegate from Milwaukee was John H. Puelicher. And Alfred M. Barrett was the delegate from New York who served the Empire State with distinction.

In passing, it may be stated unequivocally that George E. Allen, unimpressed by the ultraconservatism of some of the bankers of the times, believed wholeheartedly in the ability of the chapter leaders to develop a national organization that would be a credit and a lasting monument to the American Bankers Association. Sometimes he found it necessary, however, to sound a note of caution, as he did in his brief but forceful address at the Cleveland convention, although tempering his words of advice on that occasion with the greatest compliment that could have been paid to these young bankers. The following excerpts from his Cleveland speech are illustrative.

Secretary Allen's Convention Address

This Institute has brought out a number of young men who are better known throughout the United States today than half of the presidents of the banks. That is something that the Institute has done; it has taught you how to do things; it is not so much what the Institute itself does, it is what it is urging you to do.

I am sometimes told that politics is getting into the Institute. I certainly hope it is. It is something to be encouraged and it is something that will make you better and bigger men—enable you to achieve success in life better. So, instead of doing anything to discourage any politics that there may be in the Institute, I am on record as encouraging it.

The American Bankers Association is particularly interested in this convention, as showing the effect of the work which they inaugurated and which you have done. Now, in all your work here and hereafter, it is advisable that you should bring forward those qualities of conservatism and intelligence that make up the successful banker. It is not only ability to talk, but it is the qualities of the banker that it should be your desire to demonstrate that you possess. The bankers are watching you; they are watching you more intently than you perhaps imagine. The bankers of the United States are interested in this convention, and what kind of spirit and metal is here brought forth is something by which you will be judged by your employers and by the banking fraternity in general.

It should hardly be necessary to add that Institute conventions for forty-seven years have, in general, followed the pattern of this first national convention of chapters or that the spirit there demonstrated has been characteristic of the Institute throughout the succeeding years.

IX

Significant Chapter Activities

IN the story of the Cleveland convention, reference is made to a short talk by Joseph C. Lincoln. Editor Lincoln gave the delegates a down-to-earth talk about the Bulletin, pointing out that it should contain "all the chapter news" as well as reprints of the best lectures and papers given before the chapters. To make the publication's Among the Chapters department a success, he suggested the appointment of a Bulletin committee in each chapter composed of one man or of two or three men, whose duty it would be to send the Bulletin "copies of papers and addresses delivered before the chapter, complete reports of each meeting, news of any important happenings to chapter members, such as promotions, and any helpful suggestions that may benefit the other chapters."

The following resolution was adopted at the conclusion of Mr. Lincoln's remarks:

> Resolved, That it is the sense of this convention that it would benefit all members of the Institute if each chapter would appoint a Bulletin committee, as suggested by its editor, Mr. Lincoln, and that this convention therefore recommends the appointment of such committees.

The delegates to the first convention returned to their chapters with increased enthusiasm for the Institute. One evidence of their enthusiasm was the appointment of the Bulletin committees requested by Mr. Lincoln. As a result of these appointments, the chapter reports in the official publication grew to such proportions within a few months that the editor felt impelled to comment in the January 1, 1904 Bulletin as follows:

Bulletin Committees

The Bulletin feels rather proud of its Among the Chapters department in this issue. The reports printed represent the majority of the chapters in the Institute, and they are, for the most part, good reports, giving the news and happenings just as the editor desires to have them given. The appointment of the Bulletin committees has already borne good fruit, and the official organ of the Institute is now really what it was designed to be, the mirror of Institute work, reflecting everything of importance that goes on in the organization.

Another aftermath of the convention was the interest that chapter leaders began to take in the idea of working out a plan which would enable country bank employees to obtain at least some of the benefits that chapter members were deriving from their association in a formal organization, for it had been emphasized by a number of speakers at the convention that the chapters were not the whole Institute and that subscribers to the Bulletin were about evenly divided between chapter members and country bank employees. To stimulate thinking along this line, the October 1, 1903 Bulletin carried the following article at the beginning of its Among the Chapters department:

Proposed Chautauqua Chapter

With the idea of binding the employees of country banks closer to the Institute than is implied in simply becoming subscribers to the Bulletin and of obtaining a solution of the puzzling difficulty of bringing chapter members in large cities into closer touch with the bank clerks in country towns, the secretary met with several representatives of banks in the vicinity of Chautauqua Lake, New York, during the summer to discuss a plan for extending the chapter feature of educational work beyond the limits of the larger cities. It was suggested that a general country chapter should be formed to bear the same relationship to the Institute as all other chapters and to be conducted, as far as possible, exactly as all other chapters are conducted. The name Chautauqua Chapter met with favor, perhaps for the reason that the conferees lived in the atmosphere of the Chautauqua Assembly. Country bank employees would like to be represented in the annual conventions of chapters so auspiciously begun at Cleveland and such chapter mem-

bers as have been consulted in regard to the matter have received the suggestion with enthusiastic cordiality. Shall the chapter movement be made unanimous?

Nearly half the chapters and a number of individual students responded with enthusiasm for the idea, but all seemed fully conscious of the practical difficulties involved. There is no doubt that the thinking of these men laid the groundwork not only for the formation of the Correspondence Chapter in 1907 but also for the much later development of state chapters and for the organization of many successful county chapters. Because of the clear analysis of the problem, the substance of a few of these communications is given here.

R. M. Richter of St. Louis said: "Great care must be taken to launch this proposed chapter on a basis which in its rudiments at least will be permanent. It should start out clear of experimental features, as far as practical. There should be dues aside from the Bulletin subscription; a dollar ought to take care of that. Then there should be officers, though it is hard to say just who, and how they are to be chosen and their duties exercised. To my mind it would be best if some one connected with headquarters were somewhere near the top." Mr. Richter then suggested sections of the chapter by states or by small groups of states; otherwise the organization would be too bulky to handle well. "The organization of a Chautauqua Chapter," he concluded, "will make the undertaking of the education of bank clerks a truly national one."

W. F. D. Herron of Washington Chapter suggested having state chapters, instead of a general chapter, to be known as New York State Chapter, Pennsylvania State Chapter, and so on. "But," he said, "a general chapter for country bank employees would be better than none."

A correspondence student in Beardstown, Illinois questioned the feasibility of such a large general chapter, which still would lack personal contact among its members. "Why not extend the idea a step further," he said, "and form local chapters with smaller membership? Organize a chapter in a town with enough clerks to form the nucleus of a good chapter and bring in the clerks from the surrounding territory. Have meetings semi-monthly either at the various towns alternately or at the most central place regularly. Those in sparsely populated regions could be taken care of by the general Chautauqua Chapter."

The November 15, 1903 Bulletin reported that additional communications were being received. Apparently no attempt was made at the time to formulate plans for carrying out the Chautauqua Chapter idea, but a few years later, in June 1906, an article addressed "To the Editor of the Bulletin" and signed "Pro Bono Instituto" suggested that the coming convention of chapters consider the matter. The writer continued: "The objection, of course, is that the Chautauqua Chapter might get overwhelming membership, but this could be regulated by making representation in the convention on some progressive plan such as one delegate for each twenty-five chapter members up to an agreed number, one delegate for each hundred members up to another agreed number, and one delegate for each thousand members beyond. It might not be a bad idea to organize country chapters by states or other groups. Chapter organization is the most popular feature of Institute work and ought to be made unanimous."

While the organization of a general chapter appeared to present too many difficulties at the time the idea was broached in 1903, there was little question about the feasibility of forming local chapters with smaller membership than had previously

Small Chapters Feasible

been thought necessary. To give official sanction to such organizations, the editor of the Bulletin included the following paragraph in the June 1, 1904 issue:

> The establishment of the standard examinations and the outlining of reading courses make possible the establishment of chapters in the smaller cities and the large towns. Fifteen or twenty enthusiastic, enterprising bank men may now formally organize as a chapter, whose object shall be the study of some one of the examination subjects. The members of such a small chapter would have the advantages of regular meetings and the exchange of ideas, as well as enjoying, like the large bodies, the privilege of accredited representation at the Institute conventions. In short, it would seem that the examination plan and the reading courses had solved the problem of the closer affiliation of the banking men of big cities and their so-called "country" brethren. This has been a tough problem, but it really seems that the solution is here at last. Let us hope that "study chapters" will spring up all over the country, wherever a dozen bank men may gather, and that, before the season of 1904-1905 is over, we shall have very many just such chapters.

Proposed Federation of Chapters

The resolution on the proposed federation of chapters, adopted at the Cleveland convention on September 19, 1903, called for the appointment of a committee of five to consider the proposition and submit it to the trustees for ultimate action. The committee appointed by the chair consisted of Alfred M. Barrett, S. Ludlow Jr., Clay Herrick, D. C. Wills, and J. H. Puelicher. This committee prepared a plan for a federation of chapters and presented it to the trustees for consideration at a meeting on December 17, 1903.

The trustees received protests against the proposed plan from Alexander Hamilton, Providence, Pittsburgh, and Washington chapters and from J. C. Martine and Alfred M. Barrett, both of New York City.

The minutes of the meeting record the following action taken by the trustees:

In view of the apparent differences of opinion among the chapters and chapter members regarding federation, it was on motion duly made and carried, declared to be inexpedient to approve the proposed plan at the present time. The secretary was directed to notify interested parties accordingly.

The reader of this record may have noticed (in Chapter VIII) that the resolution presented and adopted at the Cleveland convention used the word *con*federation, even though all the current discussion referred to a federation of chapters. There is an important distinction between these two forms of organization which need not be considered here, but it is reflected in the subsequent history of the Institute.

Honors for Institute Men

Whether or not their outstanding work at the Cleveland convention had anything to do with it, promotion to official bank positions came to two prominent Institute men, Clay Herrick and Fred I. Kent, within a few months after the close of the convention.

Clay Herrick, who had been president of Cleveland Chapter for two years and had performed his duties as temporary chairman of the convention with distinction, became assistant treasurer of the City Trust Company, Cleveland. To top that honor he was elected a national member of the Institute and a trustee for a three-year term at the meeting of the board on December 17, 1903. It was mainly through the influence of Joseph Chapman Jr., who was "the only young man on the board" at the time, that the conservative trustees let themselves be persuaded to add another young man to their membership.

Fred Kent, as chairman of the committee on arrangements for the Cleveland convention, had shown remarkable qualities of leadership, and in recognition of his services the delegates had elected him chairman of the committee for the 1904 convention, the highest honor within their power to bestow. He like-

wise had been chapter president for two years, and his advancement to the position of assistant manager of the foreign exchange department of the First National Bank of Chicago was a source of gratification to his many Institute friends. About a year later, a Chicago Chapter news item in the Bulletin referred to "our first president, Fred I. Kent, now *manager* of the foreign exchange department, First National Bank."

Arrangements Committee

The committee on arrangements elected at the Cleveland convention consisted of a chairman, three vice chairmen, a secretary, and a treasurer. Since most of the chapters in what was termed "the west" had followed the example set by the Minneapolis Bank Clerks' Association in prohibiting any officer of a bank from holding an elective office in the organization, Fred Kent and Clay Herrick, on being accorded official recognition by their banks, felt obligated to apply this rule to themselves as elected members of the committee on arrangements.

Through correspondence with the other members of the committee, it was agreed that R. M. Richter of St. Louis Chapter should succeed Mr. Kent as chairman, a logical arrangement since the 1904 convention was to be held in St. Louis. G. K. Wadsworth, president of Chicago Chapter, was chosen to replace Mr. Richter as vice chairman. No one was selected to replace Mr. Herrick as secretary since the trustees, at their meeting on December 17, 1903, had voted that the secretary of the Institute should be ex officio secretary of the committee on arrangements for future conventions. In view of the increased number of chapters, a committee of six was considered too small to handle the convention details adequately. Therefore, by agreement, the committee added a man from Pittsburgh and one from Milwaukee to its membership.

With these unofficial changes in effect, the personnel of the

committee on arrangements for the 1904 convention of chapters was as follows:

R. M. Richter, St. Louis Chapter, chairman
J. W. McDermott, San Francisco Chapter, vice chairman
G. K. Wadsworth, Chicago Chapter, vice chairman
S. Ludlow Jr., New York Chapter, vice chairman
George E. Allen, the Institute, secretary
C. W. Dupuis, Cincinnati Chapter, treasurer
E. E. Kehew, Pittsburgh Chapter
John H. Puelicher, Milwaukee Chapter

Plans for the St. Louis convention were begun early and were carefully executed. Each issue of the Bulletin beginning in May 1904 carried detailed progress reports.

First Convention Special Train

The first convention special train in Institute history was run in connection with this annual meeting. The arrangements were made by representatives of Providence, Hartford, Springfield, Alexander Hamilton, New York, Brooklyn, and Newark chapters. The official announcement read in part as follows:

The undersigned extend to the bank clerks of this vicinity a cordial invitation to accompany the delegates to the convention of the American Institute of Bank Clerks, to be held in St. Louis, Missouri, on August 25, 26, and 27, 1904. The duly elected delegates, representing the cities of Providence, Hartford, Springfield, New York, Brooklyn, and Newark, expect to leave New York, Chambers Street Station, 11:15 p.m., Twenty-third Street Station, 10:55 p.m., and Jersey City, N. J., at 11:30 p.m., August 22, by a special train, consisting of strictly first-class Pullman sleeping cars and dining car, same to run via the Erie and Big Four Line, affording a delightful trip through the states of New York, Pennsylvania, Ohio, Indiana, and Illinois, arriving St. Louis the morning of August 24.

Bank clerks and their wives or members of their families are cordially invited to accompany the delegation and avail themselves of the special facilities in the way of transportation and accommodations.

Headquarters will be at the Inside Inn, situated inside the fair grounds and offering the best conveniences at reasonable rates. If you

decide to join our party, please fill in the enclosed application, forwarding same, with the required deposit of $5, in order to secure your accommodations at the above-mentioned hotel.

Many attractions are planned for the convention, including addresses by persons prominent in finance and papers by chapter members covering commercial enterprises of note in various cities, a debate, a ladies' reception, excursions, a banquet, etc.

The Bulletin report included particulars regarding stopovers on the return trip, with suggestions of interesting spots. The author of the announcement was clairvoyant when he concluded with this statement: "The special train idea is certain to become popular."

At the Cleveland convention the two full days of business sessions had left the delegates insufficient time for relaxation and the furthering of personal acquaintanceships. Therefore, a three-day convention was planned for 1904, with the entire program except for the debate confined to the morning sessions, leaving the afternoons free for inspection of the buildings and beautiful grounds of the St. Louis World's Fair. Personally conducted tours of the exposition were arranged by St. Louis Chapter.

Second National Convention of Chapters

St. Louis

The official story of the second convention of chapters came from the pen of Joseph C. Lincoln. Typical of his account are the following paragraphs which vividly picture the convention scene in the inimitable style of an expert reporter.

"Those who attended the second annual convention of the American Institute of Bank Clerks, held in St. Louis, August 25, 26, and 27, 1904, left that city with recollections which will never be forgotten—recollections of a series of magnificent pictures, gigantic buildings, beautiful statuary, cascades and lagoons, exhibits of the world's products and groups of strange people from all over the globe; recollections of handclasps with

fine fellows from almost every great city in the United States, and meetings where every paper read and every address delivered was a treat; of one of the most successful banquets ever held; of wit, brotherly feeling, and good fellowship. We expected great things of the St. Louis convention, but our expectations were not within miles of the glorious reality. Our first convention at Cleveland was a great success; our second one was even greater.

"No one who attended the sessions of the convention can have left St. Louis without feeling proud of the fact that he is a member of the Institute and grateful to the American Bankers Association for founding the organization.

"There were undoubtedly some members of the Institute who felt a little anxious concerning the real work that would be accomplished at this convention, because it was to be held upon the grounds of the greatest exposition in history. Work was the keynote of our convention, and interest in its meetings and enthusiasm for the Institute fairly outweighed interest in the fair and the desire to inspect its wonders. There were about one hundred fifty delegates, representing every active chapter in the Institute with the exception of Salt Lake, Newark, and Springfield.

"The first regular session of the convention convened in the Hall of Congresses at 9:15 o'clock. R. M. Richter of St. Louis, chairman of the arrangements committee, called the meeting to order."

In contrast to the program of the Cleveland convention, which featured the reading of papers on various phases of chapter work, most of the papers read by chapter members at the St. Louis convention dealt with the industries of their particular localities. The subjects presented at the first and second sessions were:

Railroads, E. L. Abbott, Columbus Chapter
Cotton, R. S. Marshall, Norfolk Chapter
Textiles, William McCulloch, Providence Chapter
Fruit, Reginald Norris, San Francisco Chapter
The Lake Trade, S. T. Nivling, Buffalo Chapter
Brewing, Henry G. Rahn, Milwaukee Chapter
Banking, J. C. Martine, New York Chapter
Insurance, A. H. Cooley, Hartford Chapter
The New United States Mint at Philadelphia, Charles F. Turner, Philadelphia Chapter
Mutilated Currency, G. H. Richards, Minneapolis Chapter

"These papers," said Mr. Lincoln, "were a credit to the Institute and to those reading them, and demonstrated the quality of our membership better than anything else could do."

Second Annual Convention Debate

The intercity debate was held on Friday evening in the hall of the Missouri State Building. The subject was: Resolved, That it is contrary to safe banking policy for commercial banking corporations to underwrite or trade in stocks, corporation bonds, or real estate. The speakers for the affirmative were Samuel M. Hann, Baltimore Chapter, W. Irving Dey, New York Chapter, and Archibald Gill Boal, Pittsburgh Chapter. The debaters on the negative side were P. J. Slach, Cleveland Chapter, J. M. Anderson, St. Paul Chapter, and S. C. Stallwood, Chicago Chapter. The decision of the judges was rendered unanimously in favor of the affirmative.

The third convention session opened on Saturday morning in the Hall of Congresses. Most of the convention business took place at this session and "interest was lively."

Report of Committee on Rules

D. C. Wills of Pittsburgh read the rules which his committee had formulated to govern the voting for election of officers, selection of the next convention city, and other matters. These rules, which were unanimously accepted by the convention, were as follows:

* * * *

I.—Reed's rules shall be the parliamentary authority when not conflicting with the rules herein established.

II.—Voting shall be by voice unless otherwise provided by a two-thirds vote of all the delegates present at any regular session.

III.—Each chapter shall be allowed one delegate-at-large and also one delegate for each twenty-five members, or fraction thereof, accredited to it according to the records of its membership, certified to the secretary of the committee on arrangements and reported by the treasurer of the committee on arrangements. Every chapter represented at the convention shall be entitled to the full vote of its delegation, to be cast by the delegate-at-large or any other delegate that may be selected by the delegates in attendance.

IV.—The committee on arrangements for the next convention shall consist of a chairman, vice chairman, secretary, treasurer, and a vice chairman from each of the following groups:

No. 1.—San Francisco, Los Angeles, Salt Lake City, Denver, St. Louis chapters.

No. 2.—Chicago, Milwaukee, Minneapolis, St. Paul, Indianapolis chapters.

No. 3.—Detroit, Columbus, Cleveland, Buffalo, Cincinnati, Pittsburgh chapters.

No. 4.—Philadelphia, New York, Newark, Brooklyn, Alexander Hamilton chapters.

No. 5.—Providence, Hartford, and Springfield chapters.

No. 6.—Washington, Baltimore, Richmond, and Norfolk chapters.

V.—Nominations for officers must be made in open session and must be seconded before nominee can be officially recognized.

VI.—A majority of all votes cast is necessary for election.

The committee on credentials reported that delegates from the following chapters were present, with a total voting strength of 171: Alexander Hamilton 4, Baltimore 7, Brooklyn 7, Buffalo 3, Cincinnati 5, Cleveland 9, Chicago 19, Columbus 3, Detroit 4, Hartford 5, Indianapolis 3, Los Angeles 9, Milwaukee 9, Minneapolis 7, New York 15, Norfolk 3, Pittsburgh 16, Providence 6, Philadelphia 6, Richmond 3, St. Paul 7, St. Louis 7, San Francisco 7, and Washington 7.

Minneapolis was unanimously chosen by the delegates as the convention city for 1905.

J. H. Puelicher, president of Milwaukee Chapter, introduced a resolution recommending that each year the chairman of the committee on arrangements be selected from the convention city. After some discussion this resolution was defeated.

Annual Election

Alfred M. Barrett of Alexander Hamilton Chapter was nominated for chairman of the committee on arrangements. G. H. Richards of Minneapolis also was nominated. Mr. Richards rose to withdraw his name, but his friends would not permit him to do so. The final vote was Barrett, 107; Richards, 62. Mr. Richards then moved that Mr. Barrett's election be made unanimous, and the motion was seconded by several delegates. Mr. Barrett was declared unanimously elected and was escorted to the chair.

E. W. Finck of St. Paul Chapter was elected first vice chairman, George E. Allen was reelected secretary, and Fred A. Crandall of Chicago Chapter was elected treasurer. The following group vice chairmen were then elected:

1. Reginald Norris, San Francisco Chapter
2. J. H. Puelicher, Milwaukee Chapter
3. E. S. Eggers, Pittsburgh Chapter
4. J. A. Neilson, New York Chapter
5. Joseph L. Guild, Providence Chapter
6. R. S. Marshall, Norfolk Chapter

D. C. Wills stated that, as the American Bankers Association was soon to hold its annual convention in the city of New York, he believed it desirable to have some official representative of the American Institute of Bank Clerks attend that convention. Chairman Barrett placed in nomination the name of J. A. Neilson of New York, and Mr. Neilson was unanimously elected.

1 1 1 1 This concluded the business of the 1904 convention.

Third National Convention of Chapters

Minneapolis

The preparations for the next annual convention, to be held in Minneapolis July 20, 21, and 22, 1905, began earlier than for the preceding conventions and with more thoroughness. The records show that chapters entitled to four or five delegates had 10 to 15 candidates from whom to choose. In one chapter from which only 25 delegates were to be elected 62 members entered the race.

As a means of creating additional interest, the chapters were invited to suggest subjects to be discussed at the convention, and the subjects selected were later assigned to certain chapters, the officers of which were to provide the speakers.

Chicago Chapter hung out a welcome sign to the delegates from 24 chapters to stop over on their way to Minneapolis. More than 200 delegates accepted the invitation and spent an enjoyable July 19 as guests of the chapter. After a tour of the city, the delegates were given a reception by the First National Bank and were entertained at dinner in the bank's own dining room. Following the dinner, they boarded the special train which was to carry them to Minneapolis. "Until a late hour singing, renewing acquaintances and talking shop held full sway, and all retired to awake next morning in the convention city."

The first session of the convention was called to order promptly at 10:30 Thursday morning, July 20, by Alfred M. Barrett, chairman of the committee on arrangements.

In addition to the usual convention business, papers were read by chapter members on the following subjects: Canadian Banking, E. L. Stewart-Patterson, Sherbrooke (Canada) Chapter; Trust Companies, W. F. Mackay, Cleveland Chapter; Bankruptcy, M. F. Bauer, New York Chapter.

About 300 delegates left the Union Depot at 2 o'clock for Wayzata and a tour of Lake Minnetonka. On reaching Tonka

Bay, they adjourned to the pavilion, where the intercity debate between Chicago and New York chapters took place.

Third Annual Convention Debate

The subject was: Resolved, That all banks in the United States should be under federal control. The Chicago debaters, Horace W. Hawkins, Ernest S. Rastall, and Martin J. Berg, upheld the affirmative. The New York Chapter men, Orrin R. Judd, M. F. Bauer, and N. D. Alling, supported the negative. The judges were George Lomnitz of Cleveland and Professors James Paige and E. E. McDermott of the University of Minnesota. Their decision favored the affirmative by a vote of two to one.

At the second session on Friday morning, there were addresses or papers on the following subjects: A Danger in the Business of Banking, Professor F. L. McVey of the University of Minnesota; New York Trust Companies and Their Problems, Clay Helbish, Brooklyn Chapter; Steel, Frank M. Polliard, Pittsburgh Chapter; New Ideas in Chapter Work, Freas Brown Snyder, Philadelphia Chapter; Cotton Loans, R. H. Thompson, Little Rock Chapter; Commercial America's Invasion of Asia, W. B. Compton, San Francisco Chapter. Mr. Compton's paper was read by G. L. Woolrich.

The committee on emblems reported in favor of a combination of two designs for an Institute emblem—a spread eagle and streamers, with a shield for inscriptions.

A new feature of Institute conventions in the form of departmental discussions was introduced at Minneapolis. A last-minute attempt had been made to have such discussions at the St. Louis convention, but since the program was confined to the morning sessions in order to give the delegates time for visiting the World's Fair each afternoon, it had not been possible to schedule a discussion period. The departmental discussions at Minne-

Delegates Attending the Minneapolis Convention in 1905

First Departmental Discussions

apolis, therefore, represented the first Institute experiment along this line and were the forerunner of the departmental conferences which in later years became a regular and important feature of Institute conventions. The complete program was as follows:

Presiding Officer: BRANDT C. DOWNEY, Indianapolis Chapter

The Receiving Teller, GEORGE B. DIMMICK, Scranton Chapter
The Paying Teller, DWIGHT W. HAKES JR., Springfield (Mass.) Chapter
Ten minutes' discussion period on these papers led by C. A. Imboden, Decatur Chapter

The Discount Clerk, HARRY B. LOUD, Providence Chapter
Discussion period led by H. H. Pease, Hartford Chapter

The Individual Books, H. H. PEASE, Hartford Chapter
Discussion period led by James B. Dey Jr., Norfolk Chapter

The General Books, WILLIAM HAZZARD, Peoria Chapter
The Auditing Department, JAMES D. GARRETT, Baltimore Chapter
Discussion period led by John H. Hart, Detroit Chapter

The Credit Department, G. G. FISCHER, Milwaukee Chapter
Foreign Exchange Department, G. A. KRETZ, New York Chapter
Discussion period led by George D. Sears, Buffalo Chapter

Transit Department, J. G. MCLEAN, Chicago Chapter
Discussion period led by J. J. Sherrer, St. Louis Chapter

An interesting comment on the departmental discussions appeared in the August 15, 1905 Bulletin.

The departmental discussions proved to be one of the most valuable and interesting features of the Minneapolis convention. Searching questions were asked and intelligent answers promptly given by young bankers who know their business. Limited time prevented many from making inquiries, but the universal interest shown demonstrated that this feature of convention work might be profitably extended. Several delegates suggested that the discussion of different departments of a bank be given more prominence at the next convention.

There were few absentees when Chairman Barrett called the convention to order on Saturday morning at 10:30. The prin-

Closing Session July 22

cipal event was the election of officers and group vice chairmen, with the following results.

Chairman, G. H. Richards, Minneapolis Chapter
First vice chairman, W. I. Dey, New York Chapter
Secretary, George E. Allen, the Institute
Treasurer, Brandt C. Downey, Indianapolis Chapter

Group vice chairmen:

1. G. H. Keesee, Richmond Chapter
2. S. J. Henry, Washington Chapter
3. Henry H. Pease, Hartford Chapter
4. C. J. Higgins, Detroit Chapter
5. E. N. Johnson, Chicago Chapter
6. F. L. Johnson, St. Louis Chapter
7. T. E. Deegan, San Francisco Chapter
8. E. L. Stewart-Patterson, Sherbrooke (Canada) Chapter

The following resolutions "expressing appreciation of the assistance given to the Institute by the American Bankers Association" were adopted:

Whereas, The American Bankers Association, in its wise judgment, has established the American Institute of Bank Clerks, and by its moral and financial support has enabled it to achieve its present success, be it

Resolved, That the cordial greetings of the delegates in convention assembled be hereby extended to the American Bankers Association.

Whereas, Believing that the trustees of the American Institute of Bank Clerks will welcome any ideas on the management of the affairs of the Institute that could be suggested by the men conversant with chapter administration,

Resolved, That a committee of five, representing as many chapters, be appointed by the chair and authorized to so act and request the Board of Trustees to receive the said committee in that capacity.

The official emblem adopted at the Minneapolis convention was illustrated and described in the November 1, 1905 Bulletin. A part of the description, together with the accompanying illustration, is reproduced here.

First Official Institute Emblem

The button is composed of a gold shield, slightly oval, at the top of which is the spread eagle, holding in its bill the scroll or streamer upon which will be enameled the chapter name. The lower part of the shield is made of silver and copper, across which appear the initials A.I.B.C. in green enamel. The upper part of the shield is made of green enamel, upon which are sweated a row of gold coins, on top and in the center of which is the dollar sign, showing a raised effect. The pin as a whole is emblematic in that it represents our currency system by the metals of gold, silver and copper, the green enamel representing our paper currency, the eagle and shield representing the organization as being national. The emblem can be made with a screw button back, or as a clasp pin, and also as a stick pin, watch fob or a cuff button, should any one so desire.

Other Chapter Activities

The chapters continued to plan their educational programs largely to suit the desires of their members, with lectures, papers, and debates as the principal features. Many chapters that had done little debating previously took up this work in earnest during the third year of operation; among them were Chicago, Philadelphia, Minneapolis, and St. Paul.

New features of chapter programs which stimulated competitive interest were adding machine and money counting contests. Practically every chapter provided for "contest night." If the numerous reports of such activities for 1903-1904 and succeeding years are any criterion, a certain well known maker of bank machines must have donated wagonloads of prizes consisting of diamond set scarf pins, gold cuff buttons, silver-mounted silk umbrellas, silver-mounted military brushes, silver-handled pocket knives, and many other personal accessories, to say nothing of innumerable cash prizes.

In several of the larger chapters during 1904-1905, there was a noticeable departure from the pattern of previous years.

A number of chapters undertook the study of parliamentary

Parliamentary Law and Public Speaking

law, offering systematic instruction and practice in this subject combined with public speaking. Minneapolis and Pittsburgh were especially enthusiastic in their Bulletin reports on this new feature of chapter work. Ralph H. MacMichael of Pittsburgh commented: "The program for each evening includes forty-five minutes of parliamentary drill, the method of instruction being to organize as a parliamentary body and to proceed to transact business of any and all nature according to parliamentary rules. There are also several extemporaneous speeches, each speaker being called out and given any subject that may occur to the chairman, on which a three-minute talk must be given."

Organized Chapter Classes

As a result of the inauguration of the examination system by the trustees (an innovation described in Chapter XII), most chapters found it necessary to sponsor organized study classes if their members were to qualify for taking the Institute final examinations.

New York Chapter began its first course in Political Economy in October 1904 with Professor Joseph French Johnson in charge. The members of the class were required to do outside reading to keep up with the lectures, and an examination, which was accepted in lieu of the Institute preliminary examination in this subject, was given at the end of the course.

Brooklyn Chapter offered organized instruction in banking law under the leadership of Professor Cleveland F. Bacon of the School of Commerce, Accounts and Finance of New York University. In a Bulletin article commenting on this class, the secretary of the Institute said: "The method is noteworthy in that principles of law are not stated as such, but are defined in their direct application to the situations in actual life. It is not the viewpoint of a lawyer so much as that of the financial man in his actual work that is considered."

The Ideal Chapter

An entirely different plan was followed by Indianapolis Chapter. Two copies of each textbook on Practical Banking, Commercial Law, and Political Economy prescribed by the Institute were purchased. "The committee on education," the chapter Bulletin committee reported, "will apportion certain pages or chapters to members and give them four weeks in which to study and boil down to a ten or fifteen minute talk or paper their portion of the textbook, after the delivery of which they will be expected to answer all the questions the rest of the class can fire at them for another ten or fifteen minutes. It will mean a lot of individual work and cannot help being beneficial to all who take an active interest." This program led the secretary to comment: "Indianapolis has done superior work in conformity with the study courses without the aid of any university connection, and in that respect is the ideal chapter of the Institute."

Chapter Affiliations with Universities

The year 1904-1905 witnessed the beginning of affiliations with universities and schools of commerce, accounts and finance for the formal conduct of chapter courses. Philadelphia was the first to make such an affiliation. In cooperation with other interested groups, the chapter, in July 1904, "perfected an alliance with the Wharton School of Accounts and Finance at the University of Pennsylvania and assisted in the organization of the evening school of accounts and finance." Commercial law, accounting, money and credit, and practical banking were among the subjects studied the first year.

Chicago Chapter formed an alliance with the University of Chicago, and the university broadened its school of commerce and administration to include evening instruction along the lines laid down by the American Institute of Bank Clerks.

A few years later Pittsburgh Chapter announced that arrangements had been perfected for an alliance with Western

University of Pennsylvania, a Pittsburgh institution. Largely through the efforts of the chapter to secure better facilities for education in banking, the university established a school of finance and commerce patterned after the Wharton School of Accounts and Finance. J. E. Rovensky commented that one reason for the interest in the economics course shown by the chapter members was "the plainly apparent advantage of a systematic course of study over an irregular series of lectures."

New Orleans Chapter reported that a satisfactory alliance with Tulane University had been made under which the university was conducting a special course in political economy open to all chapter members and that those registering were entered as special students of the university, thus enjoying the privileges of the library and other advantages.

Such affiliations with universities and schools of commerce were encouraged by the Institute administration for a number of reasons. Banking education was still very much in the experimental stage. The Correspondence School of Banking (as Chapter XII reveals) had failed to do what its founders had expected it to accomplish. The system of reading courses and examinations patterned after the plan of the British Institute of Bankers was barely under way, and its outcome was as yet problematical. Only by the process of evolution could the administration learn whether it was adapted to conditions in this country. Hence the cooperation of existing institutions of higher learning, particularly the use of their facilities and teaching staffs, was welcomed as a means of helping to solve the problem of developing "a comprehensive plan of education for bankers along modern collegiate lines."

At this point, however, it may be well to state that as the Institute grew in strength, developed its own philosophy of banking

education, and was able to enlist a competent corps of instructors from the ranks of bank officers, lawyers, accountants, and college and university teachers, the administration changed its views on the matter of affiliations, particularly after the government of the Institute was in the hands of the elected representatives of the chapters. Thus there gradually emerged the belief that the chapters could handle their own educational programs in their regular meeting places, and should do so. A chief consideration in this change of attitude was the benefit to be derived by chapter administrators in handling the educational program.

Educational Trends

Certain trends toward uniformity in chapter work became discernible in the year 1905-1906, although a clear-cut educational policy for the chapters as a whole was still a matter of evolution. During this year systematic study under the direction of experienced instructors was undertaken in Baltimore, Chicago, Cincinnati, Cleveland, Detroit, Milwaukee, Minneapolis, New York, Pittsburgh, St. Louis, and Washington and to a somewhat less extent in other chapters of the Institute.

Apart from the university work, Chicago Chapter conducted its own course in Practical Banking, using bank officers as instructors. The subjects covered were foreign exchange, bond department, trust department, discounts, transit, clearings, and messengers. "The classes met in different banks once a week or once in two weeks, as the nature of the work and desires of those interested dictated." The chapter also appointed a bank forms committee, whose object was "to gather together bank forms of every description in use in the large city banks, arrange them systematically, and place them on file for inspection of any bank or banker desirous of improving his system."

At a meeting of the trustees on May 1, 1906, the secretary stated that the headquarters of San Francisco Chapter, including

San Francisco Chapter's Headquarters Destroyed

the chapter library, had been destroyed in the recent catastrophe in that city, and on motion he was directed to express to San Francisco Chapter the sympathy of the trustees and their hope for the speedy renewal and long continuance of the chapter's prosperity. The secretary was authorized to cancel charges for Bulletin subscriptions to members of the chapter for one year and to donate a set of Institute books as a nucleus of a new chapter library.

Cincinnati Chapter Helps to Found a College of Finance

Unable to affiliate with the University of Cincinnati because of its location, Cincinnati Chapter embarked on an ambitious undertaking—the establishment of a night school of finance, commerce and accounting in downtown Cincinnati. With the support and financial backing of prominent bankers and leading professional and educational men, a committee of chapter members worked on the project unceasingly from the winter until the fall of 1906, with the result that the Cincinnati College of Finance, Commerce and Accounts was launched in October of that year. The prime movers in the chapter's end of the work were Charles W. Dupuis, H. J. Guckenberger, and William E. Strautmann. This evening college was an incorporated company entirely separate from the university and was developed for the benefit of the entire business community. The plan was to have the school affiliate with the university eventually if it proved to be a success. Courses were offered the first year in economics, accounting, and commercial law, each taking one night a week for thirty weeks.

Thus, in this instance at least, the American Bankers Association had the satisfaction of seeing put into effect indirectly through one of its Institute chapters a program that it had sought to carry out directly in the early 1890's—promotion of the education of business men.

X

A Decisive Step in Institute Evolution

THE first real embarrassment for the committee on arrangements arose following the Minneapolis convention. Since no chapter had presented an invitation, the selection of the 1906 convention city was referred to the committee on arrangements, with power. In the December 15, 1905 Bulletin, Chairman George H. Richards announced that no invitation had yet been received, and he frankly admitted that the expense of entertainment was a burden which the chapters were reluctant to assume. The following excerpt from his article gives the solution worked out by the committee.

> The committee on arrangements have the proposition before them now of selecting some popular convention resort for the meeting place, the necessary expenses of assembly hall, badges, program, etc., to be reduced to a minimum and paid from the convention's treasury, the expense for entertainment to be borne by the delegates.
>
> If this plan is adopted, each chapter would have a joint responsibility, the whole burden would not be on one, and, if it were entered into with the spirit which may be expected, the convention problem would be solved.

The committee on arrangements finally decided to hold the convention in Atlantic City, New Jersey, September 6, 7, and 8, 1906.

Chairman Richards called to order the fourth national convention of chapters of the American Institute of Bank Clerks in the sun parlor of the steel pier at Atlantic City, September 6, 1906. After the invocation, he briefly described the work of the past year, expressed his thanks to Philadelphia Chapter for securing such a desirable meeting place, and then referred to a

Fourth National Convention of Chapters

problem which had arisen for the second time since the Cleveland convention and which had been the subject of a Bulletin article a few months earlier.

As I have explained in the Bulletin, we chapter members in the west hold to the original ideas of our local organizations. They were started by bank clerks and they were for bank clerks. We feel that if there is any advantage in holding an office in our chapters or in the convention of chapters, it belongs to the bank clerk, and when an officer in the organization is promoted by his bank to an official position, he ought to be willing to surrender his office in favor of the next man in line. With this idea in mind, I offered to relinquish my position as chairman of the committee on arrangements when the trustees of the bank in which I am employed appointed me to a junior officer's position. The first vice chairman, Mr. Dey, held that promotion to an official position was a needless cause for my withdrawal. The technical point was also raised that as we had no organization of chapters, the power to accept the resignation of the chairman of the committee on arrangements was in the elective body, and it would not be in existence until the chapters were again assembled in convention. I think the point was well taken and have therefore retained the position until you shall have had an opportunity to accept my resignation.

Vice Chairman Dey was called to preside, and Mr. Richards' resignation was read by the secretary. Mr. Dey called Mr. Downey to the chair and in a convincing speech moved that Mr. Richards' resignation be not accepted. The motion was carried unanimously, and Mr. Richards resumed his position as chairman of the convention.

How may interest in chapter work be increased without sacrificing the educational feature? was the subject of a symposium by F. L. Johnson of St. Louis and L. A. Howell of Scranton.

The chapter quiz, conducted by James D. Garrett of Baltimore, proved to be an interesting and valuable experience. The principal questions asked by the leader and answered by representatives of various chapters were as follows:

Chapter Quiz

1 (a)—How often should chapter meetings be held? (b)—What is the best form of educational work to be followed?

2—To what extent should the social and athletic features enter into chapter work?

3—How should study courses on the subjects prescribed by the Institute be conducted?

4 (a)—How are "university alliances" formed and courses conducted? (b)—Are they popular and well attended?

5—Do lectures by prominent educators benefit chapter members more than debates and papers prepared by themselves?

6 (a)—To what extent is a large membership essential to successful chapter work? (b)—How can interest and membership be increased and maintained, both among clerks living in city and suburbs?

7—Are "permanent quarters" a profitable investment, and are they necessary for the success of a chapter?

8—To what extent do bank officers help local chapters, and how may their interest and cooperation be increased?

9—What are the best means for raising funds for chapter support?

10—In what way can the Bulletin and work of the Institute be improved for the betterment of the chapters?

Departmental Discussions

The entire afternoon of Thursday, September 6, was devoted to departmental discussions, arranged and conducted by John Williams of Chicago. The program covered these subjects:

Advertising Department—F. W. Ellsworth, Chicago; John C. Loomis, Hartford

Credit Department—W. M. Rosendale, New York; E. A. Slininger, Des Moines

Loan Securities—E. A. Farmer, Milwaukee; B. C. Downey, Indianapolis

Transit Department—L. E. Fay, Philadelphia; Clarence R. Evans, Baltimore

Clearing House Agreements—R. L. Grant, Minneapolis

Real Estate and Trust Department—H. B. Loud, Providence; Isadore Freiberger, Cleveland

Analysis Department—H. N. Grut, Chicago

Bond Department—O. N. Littell, Cincinnati; G. W. Ekstrand, St. Paul

At the Friday morning session the committee on rules presented a report "providing that Reed's rules of order be adopted by the convention and that in all debates incidental to discussions during the session no man shall be entitled to speak longer than five minutes nor be heard twice on the same subject." The report was adopted.

W. M. Van Deusen of New York, chairman of the new business committee, presented a proposed constitution and by-laws, consideration of which was deferred until the Saturday morning session.

Convention Debate

The Friday afternoon session was devoted to the interchapter debate between Detroit and Pittsburgh chapters. The question was: Resolved, That for Congress to establish a national reserve bank would be for the best interests of the country.

For the affirmative: Walter G. Toepel, Theodore F. A. Osius, and Charles J. Higgins of Detroit Chapter

For the negative: W. McKee Kelley, Alan Morphy, and T. W. Carroll of Pittsburgh Chapter

The judges were Sereno S. Pratt, editor of the Wall Street Journal, the Honorable Charles H. Treat, Treasurer of the United States, and Carlton Godfrey, president of the Guarantee Trust Company, Atlantic City, New Jersey. Their decision was in favor of the negative.

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Address of the Institute President

The Saturday morning session was an epoch in the history of the Institute. Irrespective of the important business on the agenda, the highlight of this meeting was the address of E. D. Hulbert, president of the American Institute of Bank Clerks. Every one who has any interest whatever in the Institute should not fail to read this straight-from-the-shoulder business talk, for it is challenging from start to finish. The few paragraphs quoted here are typical of the entire address.

I have come here to talk business, rather than to try to make a speech. The relations between the chapters and the board of trustees have not been satisfactory. It seems to be an unfortunate fact that neither one fully understands what the other is trying to do, and the result is, they don't pull together. I take it that the invitation you exended to me to address this convention indicates a desire on your part to get on a better footing with the board of trustees, and I welcome the opportunity to talk to you on that account.

In order to understand how we arrived at our present situation, we must go back to the beginning and retrace our steps. The memory of man fades and, young as this Institute is, some of the most important circumstances surrounding its birth seem to have been forgotten.

(Mr. Hulbert then reviewed in some detail the origin and early history of the organization.)

With the addition of the trustees named by you at this convention, the Institute is practically in your hands, and now, what are you going to do with it? A great many prominent bankers who are deeply interested in the welfare of the Institute, including nearly half of the present board of trustees, believe that this move is a mistake; they honestly believe that the Institute is at present unprepared for self-government and is in danger of degenerating into a social organization; they believe the members will devote their time to social pleasure and to Institute politics, rather than to serious educational work. Others of us, who happen to be in a bare majority just now, think differently. We do not claim to be any wiser or to have your interests any more at heart than the others; it is simply an honest difference of opinion. These men say to us, we don't agree with you. We think you are making a mistake, but

go ahead and we will help you all we can. That is the situation at the present moment, and it rests with you whether we shall be vindicated or discredited in the future.

Personally, I have no anxiety whatever about the outcome. The wisdom and conservatism you have displayed so far promises well for the future. I think it was Cato, the old Roman statesman, who, when he was instructing his son in the duties of citizenship, advised him that in voting for men for public office he should not be influenced by graces of person or speech, but should consider whether or not the candidate was a man he would feel like consulting about his own affairs. That is about all there is to self-government—a capacity to choose proper men for office—men recognized for sound judgment and conservative tendencies; men who are respected and consulted by those above and below them in rank in the banks with which they are connected.

Undoubtedly, for some little time to come, you must devote a great deal of time and thought to the organization and government of the Institute. That is important work and everything you do now should be done with great care, because you are forming precedents. But you must get down to other serious work. There is a great work ahead for this organization, which has hardly been touched as yet. It has been a great disappointment to the trustees that more interest has not been taken in the study courses. They have been prepared with great care and we have been especially fortunate in having these study courses in the hands of a man like Mr. Allen, who, as you know, is a professor of business practice in the old New York University, and is a member of that university faculty. He is regarded by prominent educators as a most able man on all educational lines connected with finance, banking, commercial practice, publishing work, advertising, etc., so that I don't believe it can be said that the trustees have not furnished you with the best facilities for this kind of work. Yet, as I said before, the result has been disappointing.

I understand that your new constitution provides for a standing committee on education, and I take it for granted that committee will confer with the secretary and the board of trustees and get up some plan for uniform courses of studies, which will be taken up by the chapters.

In adopting your new constitution, you have declared the purposes of your organization to be the promotion of the efficiency and the welfare of its members, and the enjoyment of the benefits which come

from social intercourse and the discussion of important questions. This is sufficiently indefinite to enable you to do almost anything.

I take it for granted you will make this an Institute for bank men as bank men, and not permit it to be narrowed into a preparatory school for bank officers. There is no doubt that future bank officers will be recruited largely from the Institute, but in the very nature of things, no matter how efficient they may become, the great bulk of the membership of the Institute must remain clerks to the end of the chapter, and our aim should be to make the calling of the bank clerk in itself a dignified and influential factor in human affairs.

This Institute is no ephemeral affair; you are entering upon a great work; a work that will go on and increase in importance after we are all dead. We are a band of workers who are a necessity to the community; most of us will have to live and die in the harness. Work has its drawbacks, but it has its compensations also.

A few days ago Edwin Markham wrote: "Blessed is the moment when a man has found his place in the toil of the world. For the first time he begins to keep step with the music of the stars. Work is more than a blind necessity—more than a brute means for getting food and shelter. It also is a discipline, a revelation, a sacrament."

A rising vote of thanks was given to Mr. Hulbert for his inspiring and instructive address.

R. H. Berry of Chicago Chapter, chairman of the committee on credentials, presented a report showing the chapters in attendance entitled to voting representation as follows: Atlantic City 3, Baltimore 15, Brooklyn 5, Buffalo 3, Chicago 40, Cincinnati 10, Cleveland 8, Columbus 2, Black Hills 2, Decatur 3, Des Moines 5, Detroit 7, Fond du Lac 3, Hartford 7, Head of the Lakes 4, Indianapolis 4, Little Rock 5, Milwaukee 10, Minneapolis 11, New Orleans 7, New York 21, Oshkosh 4, Peoria 4, Philadelphia 14, Pittsburgh 31, Providence 9, Richmond 4, Rochester 4, St. Louis 7, St. Paul 7, San Francisco 12, Scranton 4, Seattle 7, Sherbrooke 4, Springfield, Ill. 2, Springfield, Mass. 4, Washington 14; total 306.

M. F. Bauer of New York Chapter, chairman of the committee on rules, presented a resolution governing the election of trustees.

Resolved, That the following rules shall be the procedure to be followed in the election of trustees:

1. All votes shall be given on roll call.

2. In no event shall any vote be valid or counted unless it be given for at least three of the men out of those who have been regularly nominated for trustees.

3. When it has been ascertained, according to the foregoing rules, who the three trustees shall be, a separate vote shall then be called to elect the three-year trustee, and after a successful man has been announced by the chair then another vote in like manner shall be taken to elect a trustee for the two-year term. The highest number of votes in each of the two aforesaid roll calls to prevail.

Constitution and By-laws of Associated Chapters

After various other committee reports had been presented, the proposed constitution of the Associated Chapters was taken from the table. Major George R. Burdick of San Francisco rose to a point of order and said: "This document was read to us yesterday afternoon. It was formulated by a committee composed principally of presidents of various chapters, men abundantly able to formulate the proper kind of document. I think that although it may not be perfect, a year probably will show what its deficiencies are, and for the purpose of saving time, I move that the report of the committee be adopted as it was read to us."

Major Burdick's motion was seconded and, after some discussion, was carried, thus adopting the constitution subject to approval by the chapters and by the Institute Board of Trustees.

The constitution and by-laws of the Associated Chapters are contained in Appendix V. Although these governing rules were in force only until July 1908, their significance in the history of the Institute cannot be overemphasized, for they marked the beginning of a chain of events that led to the ultimate cohesion of

chapter interests in one national body. Two provisions of the constitution merit attention here.

National Executive Committee

Article III, Administration, provided in Section 1: "The officers of this organization shall be a president, vice-president, recorder and a treasurer, who, together with one member elected from each of five groups of chapters, as provided for in the by-laws, shall constitute a national executive committee, which shall be charged with the general administration of the organization." This executive committee, of course, was the counterpart of the present Executive Council of the Institute.

National Educational Committee

Of even greater significance was Article IV, which made provision for a national educational committee, as follows: "This committee shall consist of five members, to be appointed by the president annually, one to represent each group of chapters. They shall report their proceedings to the annual convention of the association and shall act in conjunction with the trustees of the A.I.B.C. in promoting the general educational features of the Institute. They shall serve until their successors are duly appointed and qualified." This was the only appointive national committee for which the governing rules made specific provision. It played an important part in educational developments during the two-year transformative period.

The secretary reported that certain proposed changes in the educational features of the Institute would be referred to the new educational committee when appointed and that this committee would doubtless be able to formulate some plan adapted to chapter work as well as to individual students. "The trustees," said Mr. Allen, "believe in some sort of standard of education. Anything else would be more revolutionary than the repeal of the national bank act or the upheaval of any government in the world. There has never been an educational institution without

some standard and some method of fixing that standard. What has been done by the Institute is not of so much consequence as what will be done, but I have full confidence in the successful cooperation of old and new blood in the work before us."

Suggested Change in Name of Organization

Under the order of new business, P. J. Slach of Cleveland moved that a petition be directed by the Associated Chapters to the Board of Trustees calling attention to the fact that "the name we presently bear does not indicate our importance as Institute men" and that "the name should be American Institute of Bank Men, instead of American Institute of Bank Clerks." The motion was put to a vote and unanimously carried.

Detroit was selected as the 1907 convention city.

Election of Trustees and Officers

A. H. Newton of Hartford offered the following resolution, which was adopted: "That it is the sentiment of this convention that no one holding an official position in a bank or banking house shall be eligible for election to office in the Associated Chapters, or as a trustee."

The following resolution, offered by W. M. Van Deusen of New York, was adopted: "That the men we are about to elect shall hold office under the constitution of the Associated Chapters if adopted by the chapters; in case it is not so adopted the men elected shall constitute a committee on arrangements for the 1907 convention."

The convention then proceeded to elect three trustees, subject to approval by the board, in accordance with a resolution adopted by the Board of Trustees on May 1, 1906.

The following were nominated: Joshua Evans Jr., Washington; Franklin L. Johnson, St. Louis; R. H. MacMichael, Pittsburgh; Newton D. Alling, New York; and Brandt C. Downey, Indianapolis.

The three nominees receiving the most votes were Messrs.

Alling, Downey, and Evans, in that order, and they were declared elected. On motion duly made and seconded, Mr. Alling was given the three-year term, Mr. Downey the two-year term, and Mr. Evans the one-year term.

Freas Brown Snyder of Philadelphia and Fred A. Crandall of Chicago were nominated for the office of president of the Associated Chapters. On motion of Mr. Snyder, seconded by Mr. Phillips of Pittsburgh, the election of Mr. Crandall was made unanimous.

Other officers, elected without contest, were as follows:

Vice president, A. W. Morton, Baltimore
Recorder, B. S. Raplee, Cleveland
Treasurer, E. A. Havens, Providence

The following members of the national executive committee were elected from the groups of chapters without contest: Group 1, G. Jeter Jones, Richmond; Group 2, D. W. Hakes Jr., Springfield, Mass.; Group 3, C. J. Higgins, Detroit; Group 4, Henry G. Rahn, Milwaukee; Group 5, Louis W. Fricke, St. Louis.

Confusion in Terminology

It may be well, at this point, to explain the somewhat confusing use of the term president during the early years of the Institute.

From 1901 to July 1908 the officers of the Institute, consisting of a president, a vice president, a secretary, and a treasurer, were elected by the Board of Trustees (originally composed of nine members, then eleven, and finally fifteen). The first board was appointed by the A.B.A. Committee on Education (which organized the Institute) and after that was a self-perpetuating body, electing members to fill vacancies as they occurred. The chapters had nothing whatever to do with the election of Institute officers. Those officers, in turn, had nothing to do with running the national conventions.

When the chapters began to elect members to serve as convention officers for one year, it was necessary to use terminology that would not conflict with the official terminology. Those elected by the delegates at the 1903, 1904, and 1905 conventions were called the *committee on arrangements,* and the term chairman was used to designate the convention presiding officer in order to avoid confusing this officer with the president of the Institute.

Under the constitution adopted at the 1906 convention, the officers elected by the delegates were designated officers of the *Associated Chapters.* It was not until the Providence convention in 1908, when the government of the Institute was turned over to the chapters and the Board of Trustees went out of existence, that the Institute officers and members of the governing body actually were the elected representatives of the chapters.

Thus, at the Cleveland convention in 1903 Fred Kent was elected chairman of the committee on arrangements for a term of one year, with the duty of presiding at the 1904 convention. In the sense that he was the first national presiding officer so elected by the delegates in convention assembled, his office as chairman was equivalent to that of president today, and he is therefore often referred to as the first *national* president of the Institute. His immediate successors in office (Alfred M. Barrett in 1904 and George H. Richards in 1905) held the title *chairman of the committee on arrangements.* With the formation of the Associated Chapters, the persons elected to the same position in 1906 and 1907 held the title *president of the Associated Chapters.* Other officers elected from 1903 to 1907 were correspondingly designated. Reorganization of the Institute at Providence in 1908 started the present succession of A.I.B. officers.

The names of the members of the national educational com-

Post-Convention Announcements

mittee appointed by President Crandall following the Atlantic City convention were announced in the November 1906 Bulletin: Freas Brown Snyder of Philadelphia, chairman, R. H. MacMichael of Pittsburgh, John Williams of Chicago, W. M. Rosendale of New York, and A. H. Christy of New Orleans. "This committee," said the announcement, "is considering plans for the unification of the educational work of the Institute and will report as soon as they can give the subject proper attention."

The January 1907 Bulletin contained the following statement regarding the adoption of the governing rules: "The constitution and by-laws of the Associated Chapters submitted at the Atlantic City convention have been adopted by a unanimous vote, nearly all chapters voting in the affirmative. The remaining few neglected to vote, which according to constitutional provisions counted in the affirmative. There was no negative vote."

As a postlude to this record of the fourth national convention of chapters, it seems appropriate to quote George E. Allen's appraisal of the event, contained in his brief History of the American Institute of Banking.

Another Decisive Step in Institute Evolution

Another decisive step in Institute evolution was taken at the Atlantic City convention held September 6, 7, and 8, 1906, when the organization known as Associated Chapters was formed. This organization embodied the original idea of chapter federation but diplomatically avoided such a name. In true American style the Associated Chapters adopted a constitution replete with "whereases," "aforesaids," and "provideds," but full of the spirit of independence and self-confidence. The guiding spirit of the Atlantic City convention was E. D. Hulbert, who had succeeded Mr. Finley as President of the Board of Trustees. Mr. Hulbert possessed a level head which he was not in the habit of losing. He did his own thinking and made his own speeches. He entered the Institute with few, if any, preconceived notions. He believed in education first, last, and all the time, and practiced what he preached by undergoing the Institute standard examinations and securing the Insti-

tute certificate of graduation. He was, therefore, in the strong position of a leader and not a driver.

Everybody left the Atlantic City convention happy and harmonious. The delegates returned to their several chapters full of enthusiasm and determination to support the Institute in working out its manifest destiny.

That the step thus taken was toward "manifest destiny" will be abundantly evident as the rest of the Institute story unfolds.

XI

The Period of "Benevolent Paternalism"

IT IS now time to pause in the story of chapter progress and look in on those who were responsible for the general conduct and policies of the American Institute of Bank Clerks during the early period of its existence.

For the first four years the business management rested in the hands of a corporation under a contract made originally by the Committee on Education of the American Bankers Association and continued by the Board of Trustees of the Institute. The principal reasons for this arrangement were to relieve the committee of responsibility and to protect the American Bankers Association against liability.

The initial contract with the Account, Audit & Assurance Company ran from February 15 to October 1, 1901. Believing that the risk justified a term longer than one year, the president of the company, on November 14, 1901, submitted a proposition for renewal of the contract on a five-year basis. This communication was addressed to James G. Cannon, president of the Institute. Mr. Cannon sent it to the chairman of the Committee on Education with the following comments:

> The proposed contract meets with my approval, it being understood that no advertisements are to be inserted in the Bulletin and also that some provision should be made that in case anything should happen to Mr. Kittredge, or the Account, Audit & Assurance Company, the contract shall on proper notice cease.
>
> It is hardly fair to ask this corporation to undertake a matter of this kind without some stability to it, and as the extra compensation is only fixed year by year by mutual agreement, there can certainly be no objection to making it for a period of years.

Management of Institute Affairs 1901-1905

These communications were read at a meeting of the committee on November 16, 1901. After careful consideration of the proposition, the following resolution was presented and adopted unanimously.

> Resolved, That the proposition of the Account, Audit & Assurance Company, Limited, be approved with the changes suggested in Mr. Cannon's letter and that for the current year an appropriation of Six Thousand Dollars ($6,000) from the fund set apart by the American Bankers Association for the use of this committee, be made with the understanding that the same is to be paid to the Account, Audit & Assurance Company in monthly instalments.

Mr. Cannon's proviso proved to be a sound one, for less than a year and a half after the renewal of the contract for a five-year term, the Institute suffered a loss in the death of its secretary, A. O. Kittredge, and the Account, Audit & Assurance Company was reorganized as the Account-Audit Company. Although the contract could have been terminated on proper notice after Mr. Kittredge's death, it was permitted to remain in force until the meeting of the trustees on August 21, 1903. At that time the arrangement for the conduct of the Institute by the Account-Audit Company was extended for one year beginning October 1, 1903.

The chairman of the Committee on Education, in his report to the American Bankers Association convention for the year 1903-1904, made this statement regarding the conduct of the Institute: "Up to the present time the details of operation have been handled by contract, but in view of the more comprehensive plans now established, the trustees have deemed it expedient to assume direct management through the secretary of the Institute of every department except the publication of the Bulletin, which will be conducted by the Account-Audit Company as heretofore." This change took effect October 1, 1904.

At a meeting of the trustees on May 3, 1905, the following resolution was introduced, after a general discussion of Institute affairs, and was adopted.

> Resolved, That a committee consisting of the officers of the Institute be and is hereby appointed to consider the advisability of changing present contracts and to formulate plans as to the issuance of the Bulletin.

The contract with the Account-Audit Company was terminated on June 30 as a result of this action, and beginning July 1, 1905, the trustees assumed direct management of every department of the Institute.

Committee on Education 1901-1906

From 1901 to the fall of 1906, the Committee on Education acted as an intermediary for the American Institute of Bank Clerks in its contact with the American Bankers Association. After the organization of the Institute was completed, the work of the committee consisted chiefly of making its report to the annual convention of the Association and securing the necessary appropriation of funds each year.

The first chairman of the committee, William C. Cornwell, resigned soon after the organization was completed in 1901, and Robert J. Lowry was appointed to take over the chairmanship. Mr. Lowry made the reports for the committee at the 1901, 1902, and 1903 conventions. J. B. Finley then became chairman and rendered the reports for 1904, 1905, and 1906.

In his last report as chairman, presented at the San Francisco convention in October 1903, Mr. Lowry said:

> The constructive period in the history of this Institute has been succeeded by the period of crystallization, and the Institute is in the opinion of your committee no longer an experiment.
>
> There has been no radical departure from the original plan of operation, for this has not been deemed expedient in view of experience for the past years of the Institute. Still the natural law of development has

not been ignored, and wherever an improvement on our original plan has suggested itself it has been adopted, when the success of the Institute or its efficiency demanded it.

The report of President J. B. Finley, giving the history of the third year of the American Institute of Bank Clerks, was presented as a part of the report of the Committee on Education. Mr. Finley commented particularly on the increasing interest of bank officers and state bankers associations in the Institute. The quoted excerpts from the remarks of two prominent bankers merit a place in this record of banking education.

Caldwell Hardy, president of the American Bankers Association, made the following statement at the 1903 convention of the North Carolina Bankers Association:

> It should be remembered in discussing the advantages of the Institute and the expediency of sustaining the work so auspiciously begun, that young men are being trained along the lines of membership in the American Bankers Association. Up to date, the American Institute of Bank Clerks has been distinctively known as a creature of the American Bankers Association, and whatever bank clerks have derived from it they have understood to come direct from this fountain source.
>
> It is worth much to the American Bankers Association as an organization that young men are being thus trained to think of it as their alma mater and that from which they derive substantial benefits. Every bank clerk who is taking a course in the Correspondence School of Banking, or one who is a member of a local chapter, or who is a reader of the Bulletin, is thus being trained for the high responsibilities of membership and representation in the American Bankers Association.

O. J. Sands, president of the Virginia State Bankers Association, had this to say at the association's convention at Richmond:

> The American Bankers Association has taken great interest in the American Institute of Bank Clerks. I commend this work to all our banks and their employees. This institution gives every ambitious clerk opportunities that heretofore could not be procured, and which are of

inestimable value to him, and through him to his employer. It provides a correspondence school of instruction so that every clerk, whether a member of a chapter or not, can receive instruction, and it publishes a semimonthly paper called the Bulletin of the American Institute of Bank Clerks, which should be in the hands of every bank clerk in Virginia; indeed, many officers find much of interest and instruction in its columns.

In his report as chairman of the Committee on Education at the 1904 convention, J. B. Finley commented on the Institute's contacts with universities:

Collateral with the work of the Institute, substantial progress has been made within the past few years in the general field of financial and commercial education. Among leading universities and colleges which now maintain complete schools of banking and business are New York, Pennsylvania, Louisiana, Dartmouth, Vermont, Wisconsin, Ohio, Michigan, Indiana, and Chicago. Economic subjects are also taught to a greater or less extent at Harvard, Yale, Columbia, Cornell, Johns Hopkins, Brown, Western Reserve, Barnard, Minnesota, Radcliffe, Vanderbilt, Stanford, Princeton, Iowa, and California. The officers of the Institute have communicated personally or by correspondence with representatives of nearly all of the institutions named, thereby obtaining information and suggestions of inestimable value, and prominent educators have given assurance that the benefits derived from such exchanges of views have been in a measure reciprocal. Your committee appreciates the cordial relationship which has been established between the Institute and the leading schools of the country, believing that education in banking and kindred subjects will thereby be improved and extended.

The Committee on Education appeared to have outlived its usefulness after the management of the Institute was taken over by the Board of Trustees during 1904-1905. John L. Hamilton gave official expression of this opinion in his address as president of the Association at its convention in October 1906:

I would recommend that the Educational Committee of the Association be dispensed with, and the educational features be carried on

by the direction of the trustees of the Institute of Bank Clerks. I can see no necessity for this double committee. The best interests of the Association demand that one of them be discontinued.

Consequently, the Committee on Education was not reappointed by the Executive Council, and the customary appropriation of funds for the coming year was placed at the disposal of the president of the Institute.

It is of considerably more than passing interest to note that the appropriations made by the Executive Council of the American Bankers Association from 1900 through 1906, at the direct request of the Committee on Education, totaled $60,000. The various sums appropriated at the annual conventions during this period were as follows:

1900	Richmond	$10,000
1901	Milwaukee	10,000
1902	New Orleans	7,000
1903	San Francisco	7,000
1904	New York	6,000
1905	Washington	10,000
1906	St. Louis	10,000

Meetings of Trustees and National Members

According to the constitution of the American Institute of Bank Clerks, the annual meeting was to be held the first Monday in March, beginning with 1902, but the minutes record no meeting held on that date in any year. The trustees were extremely busy executives of their institutions; hence their meetings for the consideration of Institute affairs had to take place whenever a sufficient number to constitute a quorum could be present. Since the active management of the Institute in the early years was delegated to an outside organization under a contract, there was relatively little business for the trustees to transact beyond filling vacancies in the board, electing new national members and officers, and receiving reports of the Institute secretary.

Therefore, frequent meetings were not imperative, and elected incumbents whose terms of office had expired merely held over until the next meeting could take place.

Most of the trustees who resigned stated that they were obliged to take the step not because of any lack of interest in the work of the Institute but because they were unable to find time to give it the attention it deserved.

Several items of business relating to elections were of sufficient importance to be made a part of this story.

At a meeting of the national members and trustees on August 21, 1903, Joseph Chapman Jr. was elected a member and a trustee on the recommendation of A. C. Anderson of St. Paul. In a letter addressed to J. B. Finley on August 12, Mr. Anderson said: "When I sent in my resignation I took the liberty of suggesting the name of Mr. Joseph Chapman, cashier of the Northwestern National Bank of Minneapolis, as a young man peculiarly qualified to take the position that I desire to vacate, having been the first president of the Minneapolis Bank Clerks' Association, which is really the original association in the country and has been looked upon more or less as a model for others."

Clay Herrick's election as a member and a trustee on December 17, 1903 has already been mentioned. The addition of this second young man to the board was a source of gratification and encouragement to all chapter members.

At a meeting on May 1, 1906 J. B. Finley, who had served as president of the Institute since October 24, 1902, stated that he did not desire to have his name placed in nomination for reelection. Later in the meeting the following resolution, introduced by Mr. Herrick, was unanimously adopted:

In view of the resignation of Mr. J. B. Finley as a nominee for reelection to the office of President of the American Institute of Bank Clerks,

Resolved, That, in accepting such resignation, the board desires to express to Mr. Finley its hearty thanks for the self-sacrifice which he has made for the Institute, and its appreciation of the splendid service which he has rendered to this board and to the Institute.

Nine meetings of the board and six meetings of the members were held from August 1901 through July 1906. Voting by proxy was permitted at the meetings of members but not at the trustees' meetings.

Fiscal Year and Incorporation

The subject of the fiscal year was discussed at the first meeting of the trustees on August 12, 1901, but no action was taken. On May 1, 1906 there was informal discussion of the expediency of fixing the fiscal year to correspond with that of the American Bankers Association and of holding the annual meeting of the Institute at the time and place of the annual convention of the association, but it appeared to be the sense of the trustees that no change should be made at that time.

The matter of incorporating the Institute was brought up several times, and on two occasions a committee was appointed to consider the question. Apparently the subject was dropped, as no further action was recorded in the minutes.

Relationship of Trustees to A.B.A.

The Committee on Education was the medium through which all financial matters pertaining to the Institute were brought to the attention of the American Bankers Association; hence it would appear to have been unnecessary for the trustees to take action on such matters. Yet on October 24, 1902, after some discussion concerning the relationship of the Institute to the American Bankers Association through its Committee on Education, the following resolution was proposed, carefully debated, and finally adopted unanimously:

Resolved, That the trustees of the American Institute of Bank Clerks earnestly request the members of the Committee on Education of the American Bankers Association to apply to that body for another appro-

priation in the sum of Ten Thousand Dollars ($10,000), including the amount remaining in the Treasurer's hands of the appropriations already made to the committee.

At a meeting on October 10, 1905 the trustees "voted to ask the Executive Council of the American Bankers Association for an appropriation of $10,000 with which to carry on the work of the Institute during the coming year."

These were the only instances in which direct action on the question of financial assistance from the parent organization was taken by the trustees during the five-year period 1901-1906.

Management by Trustees

After the death of A. O. Kittredge, the trustees began to take a more active part in the management of the Institute, even while the contract with the Account-Audit Company was still in force. Their actions regarding the Correspondence School of Banking, the Bulletin, and the plan for fixing a recognized standard of banking education are detailed in the next chapter. The communications from the chapter chairmen and the conference committee as well as the suggested plan for a federation of chapters are adequately presented elsewhere in this story, together with the actions taken by the trustees on these matters.

The constitution originally adopted on March 23, 1901 made no provision for a vice president. An emergency arose when William C. Cornwell resigned as president the first of July, 1901. In the absence of a vice president, the trustees requested the treasurer, James G. Cannon, to act as president temporarily. The vacancy was filled by the election of Mr. Cannon as president on August 12, 1901, and John F. Thompson was elected treasurer for Mr. Cannon's unexpired term. No change in the constitution was made at the time.

The question of the vice presidency was brought up at a meeting on October 24, 1902, and it was voted to amend section eight

Amendments to Constitution

of the constitution by the addition of "Vice-President" after the word "President" in the first line, making the clause read as follows: "There shall always be a President, Vice-President, Treasurer and Secretary . . ." Article III of the by-laws was similarly amended.

By vote of the members on May 3, 1905, section five of the constitution was amended to increase the membership of the board from nine to eleven.

The chapters of the Institute, during their five years of operation, had brought into prominence a large number of men who had demonstrated that they possessed outstanding qualities of leadership, and the desirability of broadening the base of the Institute administration in recognition of this situation became apparent to both the trustees and the national members. Giving expression to that idea, the members adopted the following resolution on May 1, 1906.

Chapters to Nominate Three Trustees

Resolved, That, subject to the carrying of a proposed amendment to the Constitution increasing the number of the Board of Trustees to fifteen or less members, this board hereby invites the convention of chapters of the American Institute of Bank Clerks to be held in the year 1906, to nominate three members of the board to serve respectively one, two, and three years; and that thereafter, upon the expiration of the terms of the trustees so elected, the annual convention of chapters of the American Institute of Bank Clerks be invited to nominate their successors.

In anticipation of these additions to the board, C. B. Mills, Gates W. McGarrah, and Joseph Chapman Jr. were appointed a committee on revision of the constitution, to report at the next meeting.

A special meeting of the members was held in the general office of the Institute July 9, 1906 for the purpose of voting on the following proposed amendments to the constitution:

Further Amendments

Resolved, That section five of the Constitution be amended by substituting the word "fifteen" for the word "eleven" in the first sentence of said section, so that said first sentence of said section shall read as follows: "The government of the Institute shall be vested in a Board of fifteen Trustees, who shall be classified into three classes."

Resolved, That section seven of the Constitution be amended by changing the second sentence of said section to read as follows: "At such annual meetings five Trustees shall be elected in the places of the class whose terms of office shall then expire, to hold office for three years."

Resolved, That the third paragraph of section nine of the Constitution be amended by inserting after the words "At all meetings of the Board, five members shall constitute a quorum," the following words: "so long as the Board consists of eleven members; but if the required number be increased to fifteen, then seven members shall constitute a quorum."

The amendments were adopted by a majority vote, only one member having voted in the negative to fifteen in the affirmative.

The conference committee appointed at the 1905 convention for the purpose of conferring with the Board of Trustees had contemplated making a request that the chapters be given the privilege of representation on the board. At the time, however, it had been considered inadvisable to do so. Hence the privilege coming voluntarily from the trustees, through the resolution adopted at the May 1, 1906 meeting and the subsequent amendments to the constitution, was especially pleasing to all chapter members. It was felt that this representation would enable the chapters to come in closer touch with the trustees and that the needs of the organization as viewed by the chapter men would be assured of consideration.

The meetings of May 1 and July 9, 1906, resulting in constitutional changes designed to give the chapters a voice in the

administration of the Institute, marked the end of what George E. Allen termed "the patriarchal Board of Trustees" and the beginning of the transformation of the organization "from a benevolent autocracy into an independent democracy." Three more meetings of the board were held in the two-year interval between July 1906 and the Providence convention in 1908, but the business transacted was so largely concerned with the approaching transfer of control to the chapters that the actions taken are considered in Chapter XIII, in connection with Institute problems and progress from 1906 to 1908. To complete the picture of Institute administration during the patriarchal and transformative periods, lists of the trustees, officers, and national members are included in Appendix VII.

The Foundations Laid

By 1906, then, the Institute was past the initial and experimental stage. The idea of educational improvement which had started among the bank clerks had been fostered and nurtured by the American Bankers Association, largely through the persistent efforts of its own Committee on Education and through the continued ambition of the clerks themselves. Young men in banking were receiving official recognition as a result, and they were being called upon to assume other increasing responsibilities. Besides, a recognized standard of banking education had begun to take shape at a time when the universities of the country had awakened to the need for business education.

As the experimental period of development came to a close, there were signs that the days of "leading strings" were ending and that sooner or later the Institute was to become a more or less self-governing body.

Tribute should be paid here to the men who, at great personal sacrifice and in the service of an ideal, gave ungrudgingly of their time and talent to help lay the firm foundation on which

the Institute was destined to erect a great superstructure. Among these men were A. O. Kittredge (not himself a banker but a great organizer), George E. Allen, Robert J. Lowry, chairman of the American Bankers Association Committee on Education for three years, J. B. Finley, who succeeded him as chairman for the following three years, Gates W. McGarrah, who became president of the Bank for International Settlements following World War I, John F. Thompson, and E. D. Hulbert, the man whose address, A Business Talk, at the 1906 convention of chapters still reads like an amazing prophecy. These men consciously or unconsciously set a pattern for a long line of others whose selflessness became a criterion for Institute service. The mention of their names in this record is only for the purpose of emphasizing the qualities of character that have marked the leaders of the Institute throughout its history. They and their kind "builded better than they knew."

XII

Educational Developments

TWO things that came to light at the August 21, 1903 meeting of the trustees caused them to feel grave concern over the educational work of the Institute. One was the situation in the Correspondence School of Banking as revealed in the report of the Account-Audit Company (successor to the Account, Audit & Assurance Company); the other was the attitude of chapter members toward the school as indicated in the letter from the six chapter chairmen to President J. B. Finley (quoted in Chapter V).

The negligible increase of about 85 enrolments in the ten months ended July 31, 1903 was a far cry from what A. O. Kittredge, in his report of October 24, 1902, had led the trustees to expect. "With the lesson courses finished," he had said, "and with the Bulletin established upon the comparatively firm foundation upon which it at present rests, there is now presented the opportunity of crowding forward the students, which has not heretofore existed, and it is to be expected, therefore, that within a short time we shall be able to double or triple the number of students in the courses."

The truth of the chapter chairmen's statement, "It seems the consensus of opinion that the Correspondence School of Banking is not popular with the clerks," was indisputably borne out by the fact that only 57 of the 532 enrolled students on August 1, 1903 were chapter members.

The Account-Audit Company realized that the incomplete condition of the students' work in many of the courses and the small increase in enrolments since October 1, 1902 demonstrated

that there was little demand on the part of bank clerks for education except in banking and related subjects. The company, therefore, in advance of the trustees' meeting, had submitted to President Finley a plan for reorganizing the school, with the recommendation that certain courses be dropped and that the others be revised in the light of experience. E. R. Kittredge, secretary of the company, referred to this plan in his formal report to the trustees and indicated the company's willingness to undertake the revision work outlined, even though the school so far had been operated at a loss.

After due deliberation the trustees decided to continue the arrangement with the Account-Audit Company for the conduct of the Correspondence School of Banking and the publication of the Bulletin for another year, beginning October 1, 1903, and the company was directed to proceed with its proposed plan for revision of the courses. At the same time, realizing that correspondence study probably would never make a wide appeal to chapter members, the trustees directed Secretary Allen to develop a plan for establishing official examinations and issuing certificates of proficiency so that the chapters might be brought into the educational work of the Institute, as the organizers had originally planned.

New Set-Up of Correspondence Studies

Spelling, Typewriting, and Bank Bookkeeping were eliminated in the revised schedule of subjects offered by the Correspondence School of Banking. The names of three courses were changed: Financial and Commercial History became Financial History; Composition and Rhetoric became Commercial Rhetoric, and Government was changed to Civil Government. The revised courses, designated Elective Studies, were divided into nine examination subjects and four thesis subjects, as shown on the following page.

ELECTIVE STUDIES

Examination Subjects	Penmanship
Practical Banking	Shorthand
Commercial Law	
Double Entry Bookkeeping	*Thesis Subjects*
Bank Arithmetic	Practical Finance
Commercial Rhetoric	Financial History
Business Correspondence	Commercial Geography
English Grammar	Civil Government

The tuition fee for each course was $15, including one year's subscription to the Bulletin, the textbook, and all instruction and examination papers. This represented a substantial increase over the fees for most of the original sixteen courses.

The procedure for conducting each examination course was the same as that described in Chapter VII, with two improvements. When an application for enrolment was accepted, the student was sent the *first two sections* of the text for the course, together with letters of instruction and examination questions relating to them. He received the third section with the return of his examination paper on the first section—and so on throughout the course. Thus he always had a section for study while his work on the preceding section was passing through the mail and being examined. The textbook and all papers were to become the property of the student when the course was completed, instead of being returned to the Institute, as previously required.

In a thesis course the student was supplied with a list of subjects relating to the text of each section, and he was required to write a short paper or thesis on one of those subjects, instead of answering examination questions. Otherwise the procedure was the same as for the examination subjects.

In addition, the Correspondence School of Banking offered three sets of group studies at reduced rates.

GROUP STUDIES

Banking and Finance	*Law and Civics*	*Secretaryship*
Double Entry Bookkeeping	Commercial Law	English Grammar
Practical Banking Methods	Civil Government	Commercial Rhetoric
Bank Arithmetic		Business Correspondence

The tuition fee for each group of studies was $25 if payment was made in full in advance, or $30 if payment was made in four equal instalments. This fee included one year's subscription to the Bulletin as well as all textbooks and instruction and examination papers for the courses in the group, the material to become the property of the student on the completion of the courses. The method of instruction and examination in each group course was the same as in an elective examination course.

The first announcement of the elective courses appeared in the September 15, 1903 Bulletin, and the announcement of the group courses first appeared in the November 1 issue. Both elective and group studies were listed in the Bulletin through the May 15, 1904 issue.

Despite the efforts of the Account-Audit Company to make the Correspondence School of Banking a success, it continued to remain relatively inactive as far as the securing of new students was concerned. At the end of six months the trustees called for a review of the situation. The secretary of the Account-Audit Company submitted a lengthy report to President Finley, who presented it to the trustees at a meeting held on April 26, 1904. Only one paragraph of the report has any historical significance.

> It has been suggested to us that, in view of the history of the Correspondence School of Banking, the trustees may elect to eliminate it from the general plan. While we think there are good and logical reasons for continuing the school and making it worthy of the Institute, and believe that it will be found necessary to revive the school at some

future date if dropped now, we also see the necessity of some investment to make it the success it deserves.

The belief that "it will be found necessary to revive the school at some future date if dropped now" was indeed well founded, as events of later years proved.

Correspondence School of Banking Dropped

Apparently the trustees had made their decision in advance, for without further discussion it was voted to drop the Correspondence School of Banking on October 1, 1904. Thus the Institute's attempt to educate bank clerks by means of the sectional correspondence method was abandoned, at least temporarily.

EXAMINATION SYSTEM

While the Account-Audit Company was working on the revision of the correspondence courses, Secretary Allen was formulating a plan for the establishment of official examinations and the issuance of certificates of proficiency. President Finley submitted the plan to the trustees at a meeting on December 17, 1903. It was discussed by the board in considerable detail and was unanimously adopted.

Plan for Official Examinations and Issuance of Certificates

Announcements of the plan appeared in the Bulletin beginning January 1, 1904. Mr. Finley, as chairman of the Committee on Education, presented a special report on the matter to the Executive Council of the American Bankers Association at a meeting on April 28, 1904. As a part of his report he said: "In view of the high character of the standard examinations it is suggested by your Committee on Education that the proposed certificates of proficiency be issued by the American Bankers Association and signed by its President and Secretary." The signatures requested were, of course, in addition to those of the president and secretary of the American Institute of Bank Clerks.

George E. Allen
(at the time of joining the Institute staff)

The plan presented by Mr. Finley was indorsed by the Executive Council, and his suggestion regarding the signing of certificates was approved unanimously.

With the stamp of approval thus given by the American Bankers Association, Secretary Allen was able to make his announcement in the Bulletin official. The complete plan, which formed the basis for the first Institute final examinations, was outlined as follows:

COURSES OF STUDY

PRACTICAL BANKING—Textbooks prescribed in the Institute study course in Practical Banking are Cleveland's Funds and Their Uses, White's Money and Banking, Dunbar's The Theory and History of Banking, and Barrett's Modern Banking Methods or Fiske's The Modern Bank. The examiners in Practical Banking are William B. Ridgley, Comptroller of the Currency, and Joseph French Johnson, Dean of New York University School of Commerce, Accounts and Finance.

COMMERCIAL LAW—Textbooks prescribed in the Institute study course in Commercial Law are White's Business Law, Bigelow's Bills, Notes and Cheques or Norton's Bills and Notes. The examiner in Commercial Law is Eugene Wambaugh, professor of law in Harvard University Law School.

POLITICAL ECONOMY—Textbooks prescribed in the Institute study course in Political Economy are Gide's Principles of Political Economy, Hadley's Economics, Report of the Indianapolis Monetary Commission, and Adams' Commercial Geography. The examiner in Political Economy is J. C. Schwab, professor of political economy in Yale University.

STANDARD EXAMINATIONS

EXAMINATIONS FOR CERTIFICATES—To fix and maintain a recognized standard of banking education and proficiency, a system of official examinations, approved by the American Bankers Association, has been established. Subjects in which proficiency is required are Practical Banking, including the essentials of arithmetic and bookkeeping, Commercial Law, and Political Economy. Examinations are conducted annually

under proper restrictions and safeguards, and the qualifications of students examined are determined by educators of established reputation. The examinations are comprehensive and thorough, and students who meet requirements are awarded certificates of proficiency. Such certificates are issued jointly by the American Bankers Association and the American Institute of Bank Clerks, and signed by officers of both organizations.

PRELIMINARY EXAMINATIONS—To determine the eligibility of applicants for the final examinations upon which the issuance of certificates depends, and to eliminate such as have no reasonable prospects of passing without further study, preliminary examinations are prescribed. The preliminary examinations are open to everybody and are conducted by correspondence, without restriction in answering questions. While covering the same ground as the final tests, the preliminary examinations are wholly different, and success in the first does not insure success in the second. Besides determining elementary attainments, the preliminary examination questions serve the purpose of personal guidance and preparatory exercise in the required studies.

EXAMINATION FEES—A fee of three dollars is charged for each preliminary and each final examination in each subject. Credit is given severally for examinations successfully undergone. Final examinations are conducted at specified times under the supervision of local moderators, in accordance with prescribed regulations. Preliminary examinations may be had at any time upon application to the secretary of the Institute.

A few minor changes were made in the Bulletin announcements as time went on. The fee for each preliminary and each final examination was reduced to $2 in August 1905. After December 1905 the names of William B. Ridgley and J. C. Schwab ceased to appear among the list of examiners, and Joseph French Johnson was listed as examiner for both Practical Banking and Political Economy.

Commenting on the preliminary examinations in the June 1, 1904 Bulletin, the secretary said: "In the preliminary examinations there are no restrictions in answering questions. The stu-

Preliminary Examinations

dent is privileged to consult authorities and write his answers in his own way. His language should, of course, be original. He should particularly avoid adopting the style of any textbook."

Supplementary information regarding preliminary examinations was given in the September 1, 1905 issue:

Preliminary examinations in Practical Banking and Political Economy are waived in cases of graduates of approved schools of finance and commerce. Preliminary examinations in Commercial Law are waived in cases of members of the bar and graduates of approved law schools. Preliminary examinations in the respective subjects are also waived in cases of students who have done satisfactory work in classes under the direction of approved university professors.

The following excerpt from the report of J. B. Finley, chairman of the Committee on Education, to the annual convention of the American Bankers Association at Washington on October 12, 1905 shows the progress made since the inauguration of the examination system.

There are at present 299 applications for preliminary examination in Practical Banking, 178 in Commercial Law, and 199 in Political Economy. Judging from textbooks ordered through the Institute, or direct from publishers, it is estimated that there are between 2,000 and 3,000 students at work on the study courses.

Fifty-one students have already passed the preliminary examinations in Practical Banking, eight in Commercial Law, and thirty-six in Political Economy. A record of 75 per cent is required in passing any preliminary examination. Twenty-six students have attained a percentage of over 90.

The only criticism of the educational standard established by the study courses and examinations is that it seems too high, but in view of the fact that the demands of the banking business are for more thoroughly equipped men at the top, rather than more superficially equipped men at the bottom, your committee looks upon such criticism as indirect indorsement and not disparagement. Any lower standard would certainly not be in keeping with the character of the American Bankers Association.

At a meeting of the national members and trustees held in New York City on May 1, 1906, the secretary reported as follows on the plan for conducting examinations and issuing certificates:

Since the last meeting of the Board of Trustees I have worked in accordance with the central idea of the Institute to fix and maintain a recognized standard of banking education by means of examinations and the issuance of certificates, and have by personal effort and through the Bulletin urged students to undertake the standard tests. The total number now eligible to final examination is eighty-six in Practical Banking, twelve in Commercial Law, and thirty-seven in Political Economy. Experience and observation have convinced me that it would be advantageous to make the examinations of more general character and less closely confined to textbooks. This can be done without lowering the standard by making answers to questions more on the thesis plan and less categorical.

The secretary was authorized and directed to select convenient dates in July for holding the first final examinations for certificates and to conduct the work.

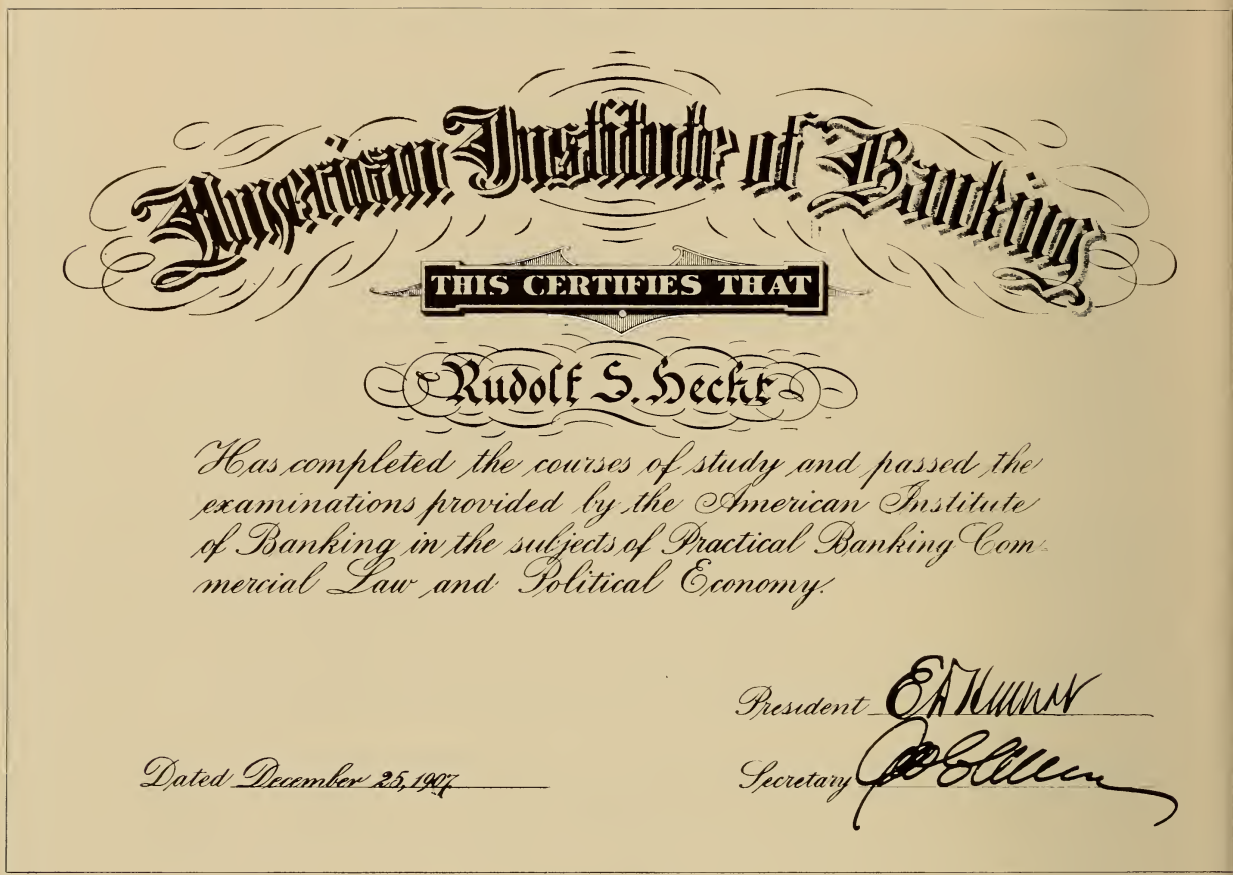
Shortly after the meeting on May 1, the secretary prepared the following announcement for publication in the June Bulletin.

First Final Examinations

Final examinations.—The first final examinations for certificates arranged to be issued jointly by the American Bankers Association and the American Institute of Bank Clerks will be held as follows:

Practical Banking—Wednesday, July 25
Commercial Law—Thursday, July 26
Political Economy—Friday, July 27.

Students will be allowed two hours in which to answer questions. Any two consecutive hours during the day or evening may be selected. The regulations of the Institute require that final examinations shall be conducted under the supervision of local moderators, who must certify that students examined have written their answers to questions within the specified time and without assistance of any kind. To meet such requirements with minimum inconvenience students may select as moderator any suitable person connected with the bank in which


American Institute of Banking

THIS CERTIFIES THAT

Rudolf S. Heckt

Has completed the courses of study and passed the examinations provided by the American Institute of Banking in the subjects of Practical Banking Commercial Law and Political Economy.

President E A Hillman

Dated December 25, 1907

Secretary

One of the First Institute Certificates Awarded

they are employed, and report the name of such person to the secretary of the Institute. If satisfactory, the person selected will be supplied in advance with examination questions, with instructions and forms of report.

First Institute Graduates

The October 1906 Bulletin recorded the results of the first final examinations for certificates. Incidentally, a grade of 75 per cent was required for passing. Thirty-four students passed in Practical Banking; fourteen of them also passed in Commercial Law and thirteen in Political Economy; only ten passed in all three subjects. These were the first Institute graduates, and they richly earned the right to have their names recorded in this story:

E. Leslie Allison, Fourth Street National Bank, Philadelphia, Pa.
H. V. Alward, First National Bank, Missoula, Mont.
I. F. Cotton, National Bank of Commerce, Minneapolis, Minn.
Rudolf S. Hecht, Commercial National Bank, Chicago, Ill.
Thomas Keppel, State Commercial and Savings Bank, Zeeland, Mich.
James C. Martine, Banco de la Habana, Havana, Cuba (a member of New York Chapter)
J. A. Neilson, Brown Brothers & Company, New York City
G. Lawrence Pegram, Metropolitan Bank, New York City
E. A. Ripley, National Bank of Commerce, Minneapolis, Minn.
William E. Walker, Corn Exchange National Bank, Chicago, Ill.

J. B. Finley, chairman of the Committee on Education, made this statement regarding the first final examinations in his report to the American Bankers Association in October 1906:

Owing to the fact that the character of such examinations has not been known and naturally could not be definitely disclosed, many eligible students have been reluctant in undertaking them. There has been considerable indirect opposition to the policy of establishing a standard of education by means of examinations and the issuance of certificates, but in view of the fact that all other bankers institutes and all schools work along the same line with success it is believed that such opposition will disappear when conditions become understood.

Changes in Certificate Requirements

That the educational policy of the Board of Trustees, especially the original system of examinations, provoked criticism from many sources was indicated by the attempts that were made to change the requirements for certificates during the two years following the final examinations in July 1906.

December 1906

The first proposed change came in December of that year as a result of insistence on the part of critics that the work of the Institute be made less theoretical. This was accomplished by consolidating the courses in Practical Banking and Political Economy under the title Banking and Economics. In announcing the revised plan, the secretary said: "One final examination covers the subject of Banking and Economics. Another covers the subject of Commercial Law. Certificates are given when final examinations in both subjects are passed." The statement regarding preparatory instruction was as follows:

> Preparatory Instruction.—To qualify students for final examination for certificates, courses of study are prescribed in Banking and Economics and Commercial Law. Such courses consist either of textbooks and collateral examinations conducted by correspondence or equivalent lectures and examinations under the direction of approved instructors in chapters or schools. To facilitate preparatory study the courses are each divided into junior and senior sections.

For the junior section in Banking and Economics, A. R. Barrett's Modern Banking Methods was the required text, and Joseph French Johnson's Money and Currency was required for the senior section. In connection with the senior section the announcement stated that "students might read with profit some standard work on political economy, but such reading is not required for purposes of examination." A preliminary examination was required on the completion of each section.

Commercial Law also was divided into a junior and a senior section, with a preliminary examination on each.

The net result of this arrangement was less textbook study required in Banking and Economics than in the two courses formerly prescribed, with very little economics included in the subject matter, and a total of four preliminary examinations and two final examinations, instead of the three preliminary and three final examinations originally provided for. The fee for each preliminary and each final examination was $2. All other requirements and the privilege of waiving the preliminary examinations under specified conditions remained in force.

The final examination in Banking and Economics was severely criticized by Professor Frank L. McVey of Minneapolis on the ground of insufficient coverage of economics. In the light of his criticism, the secretary of the Institute made the following statement:

> The examination this year (1907) was arranged in deference to prevailing criticism that the work of the Institute has been theoretical rather than practical, and it was the opinion of those who prepared the questions that satisfactory answers would require something more than superficial knowledge of banking. The criticism of Professor McVey affords opportunity for broad discussion of what banking education ought to be, and expressions of opinion are solicited for publication in future issues of the Bulletin.

The subject of Institute examinations was discussed at a meeting of the Board of Trustees on September 24, 1907, and a committee was appointed to revise the general plan in accordance with prevailing conditions. The committee consisted of Trustees Clay Herrick, Franklin L. Johnson, and Frank M. Polliard. In announcing the committee's revised plan for Institute examinations, in the November 1907 Bulletin, the secretary said:

November 1907

> Such examinations will be four in number, covering the subjects of practical banking, political economy, business law, and negotiable instruments. Persons eligible to final examinations for certificates are (1)

graduates of approved schools of finance and law, (2) chapter members who have done satisfactory work for a period of at least three years, and (3) students who have completed approved correspondence or reading courses. When the educational work of chapters is conducted in alliance with schools of finance and law, or under the direction of approved instructors, arrangements may be made by which such schools or instructors may also conduct final examinations for certificates in accordance with the general plan and standard of the Institute. Certificates are issued only to students who have passed all four of the final examinations.

Thus Banking and Economics was replaced by Practical Banking and Political Economy, Commercial Law was divided into two courses, and the separation into junior and senior sections was dropped.

The Institute management localized the examinations for city chapters and prescribed the requirements for the study courses, so that instruction in the various chapters would tend toward uniformity. The principal requirements prescribed by the Board of Trustees were as follows:

PRACTICAL BANKING—The course of study in Practical Banking arranged for city chapters consists of Barrett's textbook on Modern Banking Methods ($4.22), and at least thirty hours of instruction by an approved professor, who may, when authorized, conduct examinations for certificates.

POLITICAL ECONOMY—The textbook recommended is Professor Joseph French Johnson's Money and Currency ($1.85), in connection with which are required at least thirty hours of instruction by an approved professor, who may, when authorized, conduct examinations for certificates.

BUSINESS LAW—The course of study in Business Law arranged for city chapters consists of White's textbook on Business Law ($1.38), and at least thirty hours of instruction by an approved professor, who may, when authorized, conduct examinations for certificates.

NEGOTIABLE INSTRUMENTS—The course of study in Negotiable Instruments, arranged for city chapters, consists of Bigelow's textbook on

Bills, Notes and Cheques ($3.15), and at least thirty hours of instruction by an approved professor, who may, when authorized, conduct examinations for certificates.

This program of four courses, inaugurated in November 1907, was outlined in each issue of the Bulletin through July 1908. Evidently experience with the divided law subjects was not satisfactory, for the single course in Commercial Law was reinstated in September 1908. Thus the prescribed courses again conformed to the original plan of Practical Banking, Political Economy, and Commercial Law. The following explanation of the change appeared in the September 1908 Bulletin:

September 1908 Original Courses Reinstated

In accordance with the recommendations of the educational committee and lessons learned from experience, the management of the Institute has further localized the study courses and examinations so as to give wider scope and better opportunities for alliances between chapters and local schools of finance and law. Following is an outline of the study courses and their methods of operation as now in effect:

PRACTICAL BANKING—The Institute final examination in Practical Banking consists of either a written or an oral examination conducted by an authorized instructor or the preparation of a paper on bank administration and accounting, including an explanation of the duties and responsibilities of officers and employees and a description of necessary books and forms. To be eligible for final examination in Practical Banking students must have had at least thirty hours of chapter class work under an instructor approved by the Institute or else have passed a satisfactory preliminary examination. The requirements of the civil service commission of the state of New York for state bank examiners are accepted as an equivalent of the Institute preliminary and final examinations in Practical Banking.

COMMERCIAL LAW—The Institute final examination in Commercial Law consists of a series of legal problems to be solved under the direction of an approved instructor. To be eligible for final examination in Commercial Law students must have had at least thirty hours of chapter class work under an instructor approved by the Institute or else have passed a satisfactory preliminary examination. Graduation at an ap-

proved law school or membership of the bar will be accepted as an equivalent of the Institute preliminary and final examinations in Commercial Law.

POLITICAL ECONOMY—The Institute final examination in Political Economy consists of either a written or an oral examination conducted by an approved instructor or the preparation of a paper on United States banking and currency. To be eligible for the Institute final examination in Political Economy students must have had at least thirty hours of chapter class work under an instructor approved by the Institute or else have passed a satisfactory preliminary examination. Graduation at an approved school of finance will be accepted as an equivalent of the Institute preliminary and final examinations in Political Economy.

Equivalent Credit

From this description of the study courses it may be seen that, although every candidate for the standard certificate prior to September 1908 was required to take the official Institute final examinations, the revised system of examinations permitted students to receive credit for all three courses on the basis of equivalent work provided they could meet the conditions specified.

1907 and 1908 Graduates

Only five candidates met the requirements for certificates in 1907 and only three in 1908; all of them qualified on the basis of Practical Banking, Political Economy, and Commercial Law. The Institute graduates for these two years were:

1907

Olaf Olsen, First National Bank, Boston, Mass.
A. G. Wedge Jr., First National Bank, Bemidji, Minn.
S. H. Whitney, First National Bank, Le Sueur Center, Minn.
Otto N. Ludwig, Second Ward Savings Bank, Milwaukee, Wis.
H. L. Dimmick, First National Bank, Scranton, Pa.

1908

Roland Benjamin, 26 N. Chester Street, Baltimore, Md.
C. W. Beerbower, National Exchange Bank, Roanoke, Va.
Keith Lanneau Baker, National City Bank, New York City

Of the eighteen certificate holders at the end of 1908, twelve were chapter members and six were correspondence students.

Sidelights on the Seven-Year Period

One fact regarding educational developments during the first seven years of the Institute's existence stands out clearly. The total number of students who qualified for certificates was so small as to give those who were disposed to criticize the Institute some ground for questioning whether the demand for education had been so imperative and widespread as the Committee on Education had intimated at the Richmond convention in 1900.

President E. D. Hulbert, in his address before the convention of chapters at Atlantic City in 1906, expressed great disappointment that more interest was not being taken in the study courses.

> I believe the trouble has been like a great many other troubles in the Institute; namely, that the trustees and the chapters have not cooperated in the preparation of the courses. The trustees have gone to great pains to make these courses practical and valuable, but they have not consulted the chapters much in making them up. The result seems to have been that each chapter has gone on its own hook in the matter of studies and has ignored the general study courses almost entirely. That is not the way to get the best results. There are certain elementary and fundamental principles of political economy and finance that must be studied and understood before this Institute can become the educational force in the community that we have a right to expect it to be.

One year later, in commenting on the problems and progress of the Institute, President Hulbert said:

> Judging from the experience of the British institute, the founders of the American Institute were justified in assuming that the study courses would be the principal feature of the Institute and would be universally taken by its members. Considering the urgent demand that came from all parts of the country for the founding of the Institute, who could have predicted that out of the thousands who joined, such an utterly insignificant number would take the prescribed study courses? The trustees found they had on their hands a body not only different from

the British institute, but in many ways essentially different from any other organization.

Would the educational situation change when the government of the Institute was in the hands of the elected representatives of the chapters? Would these representatives, in full realization of their responsibilities, insist that the chapters get down to the serious business of educating their members by means of uniform courses of study and the established system of official examinations? Subsequent developments will answer these questions.

CORRESPONDENCE INSTRUCTION

At Minneapolis in July 1905 the convention of chapters adopted a resolution authorizing the chair to appoint a committee of five chapter representatives for the purpose of conferring with the trustees on certain unsatisfactory conditions that existed in the Institute and suggesting appropriate action to correct those conditions. The suggestions of this conference committee were incorporated in a letter which was presented to the trustees at a meeting on October 10, 1905. Among the matters thus presented was the following:

Proposed Revival of Correspondence School

> In regard to the courses of study conducted from the central office would suggest that this work should be conducted through a thoroughly equipped correspondence school placed in charge of experienced educators.

The secretary's reply embodying the board's decision contained this paragraph in answer to the suggestion quoted:

> The trustees do not deem it expedient at the present time to conduct a correspondence school of the kind which your committee evidently has in mind. The present study courses possess every feature of a correspondence school as commonly defined except the division of work into small sections. Two or three universities have in preparation correspondence courses in banking on the sectional plan, and it is possible

that some sort of alliances may in the future be advantageous. The matter will be carefully considered, but in making decisions the judgment of the Institute examiners, who are conservative and disinterested educators, will naturally have weight with the trustees.

Although the revival of correspondence courses on the sectional plan did not appear to be feasible at the time, the matter was not forgotten.

One of the most perplexing problems of the trustees was that of devising some means of putting "country bank men on the same basis as their city brethren" through association in a formal organization. As a preliminary step in the direction of solving this problem, the Institute president, early in 1907, appointed a committee to investigate the facilities of the International Correspondence Schools of Scranton, with the idea of having those schools conduct correspondence courses of study in practical banking and commercial law for Institute members. The committee consisted of Clay Herrick, representing the trustees, and Freas Brown Snyder, representing the chapters of the Institute. These men conducted a thorough investigation, including a visit to the schools at Scranton, and prepared a detailed report on the results of their investigation. Copies were mailed to the trustees, and the subject was brought up for consideration at a meeting of the board on May 6, 1907.

In the light of the favorable report, it was voted that an arrangement be made with the International Correspondence Schools of Scranton to furnish correspondence instruction to students affiliated with the Institute who might desire such facilities, and the president was directed to appoint a committee with full power to act in the matter. President Hulbert appointed John F. Thompson, Gates W. McGarrah, and Clay Herrick.

The August 1907 Bulletin announced that the committee had

completed satisfactory arrangements for correspondence instruction, and added:

Correspondence Chapter Organized

In view of the success of the chapters in cities, and more particularly chapters conducted in alliance with local schools of finance and law, the committee decided to make the chapter plan universal, and accordingly organized a Correspondence Chapter of the same general character and Institute standing as existing chapters, to include in its membership country bank officers and employees and home students in cities. In behalf of the Correspondence Chapter, an alliance has been made with the International Correspondence Schools of Scranton similar to existing alliances between city chapters and local educational institutions. Such arrangements secure uniformity in Institute organization and methods and simplify and systematize Institute work.

The date of organization was not given in the Bulletin article, but at least the constitution of the Correspondence Chapter was drawn up and the general plan agreed upon sometime during the two months following the trustees' meeting in May. An ingenious plan was devised for having all states represented in the officerships of the chapter and for conducting annual elections. A January 1908 Bulletin article announced that the organization of the Correspondence Chapter was complete, officers having been duly elected in accordance with the following provisions of the chapter constitution:

The officers of the chapter shall be a president, a vice-president, a treasurer, a secretary, and one additional vice-president for each state and territory having membership, which officers shall be elected annually, as hereinafter provided, and shall serve during the ensuing calendar year or until their successors are elected and qualified. Such officers shall perform the usual duties of their respective positions and shall also constitute an executive committee with administrative authority. Business may be transacted by mail.

During the month of October in each year the executive committee shall nominate candidates to fill forthcoming official vacancies and file the same with the secretary of the chapter. Other nominations may be

similarly made and filed by any twenty-five chapter members. Between the 1st and 15th of November next following, the secretary shall submit such nominations to a mail vote of all chapter members, and thirty days shall be allowed for return of ballots. Candidates thus receiving the greatest number of votes for respective offices shall be declared elected. Tie votes shall be decided by lot.

The officers of the Correspondence Chapter thus elected are as follows:

President, F. I. Kent, Chicago
Vice-president, A. H. Jones, Philadelphia
Treasurer, A. M. Barrett, New York
Secretary, George E. Allen, New York
State vice-presidents—
Alabama, McLane Tilton Jr., Pell City
Arizona, R. B. Burmister, Phoenix
Arkansas, E. K. Smith, Texarkana
California, George W. Peltier, Sacramento
Colorado, S. J. Giles, Colorado Springs
District of Columbia, Joshua Evans Jr., Washington
Florida, G. R. DeSaussure, Jacksonville
Georgia, L. P. Hillyer, Macon
Illinois, F. A. Crandall, Chicago
Indiana, B. C. Downey, Indianapolis
Iowa, C. B. Mills, Clinton
Kansas, W. W. Bowman, Topeka
Louisiana, L. M. Pool, New Orleans
Maryland, J. C. Fenhagen, Baltimore
Massachusetts, C. A. Ruggles, Boston
Michigan, J. H. Johnson, Detroit
Minnesota, A. G. Wedge, Detroit, Michigan
Mississippi, B. W. Griffith, Vicksburg
Missouri, F. L. Johnson, St. Louis
Montana, Frank Bogart, Helena
Nebraska, W. H. Bucholz, Omaha
New Jersey, S. Ludlow Jr., Jersey City
New York, F. W. Hyde, Jamestown
North Carolina, C. N. Evans, Wilmington
North Dakota, J. L. Bell, Bismarck

Ohio, George Guckenberger, Cincinnati
Oklahoma, C. L. Engle, El Reno
Pennsylvania, D. C. Wills, Pittsburgh
South Carolina, Giles L. Wilson, Spartanburg
South Dakota, Frank S. Strattan, Deadwood
Tennessee, T. R. Preston, Chattanooga
Texas, Edwin Chamberlain, San Antonio
Virginia, O. J. Sands, Richmond
Washington, W. F. Paull, Seattle
Wisconsin, J. H. Puelicher, Milwaukee

This imposing group of officers is listed here mainly because of the significant fact that aside from the secretary, who was the secretary of the Institute, twelve of the thirty-nine men were former officers of Institute chapters who had become officers of their banks and at least seven, possibly more, were senior bank officers (two of whom were trustees of the Institute and three, former presidents of state bankers associations). The idea of the organizers in having the chapter officered so largely by senior and junior bank officials was the laudable one of extending the work of the Institute among country bank clerks through the influence of key men in the various states. Incidentally, this appears to have been the first organized effort to secure the active support of bank officers on a nationwide scale. The situation had certain political implications, however, which will become apparent as the story of the chapters of the Institute during 1907 and 1908 unfolds.

Commenting on membership in the chapter, another Bulletin article said: "Any bank officer or employee who is not already connected with some chapter of the American Institute of Banking should join the Correspondence Chapter and thereby personally participate in Institute work. Members of the Correspondence Chapter may be either active students or honorary

patrons. Annual dues are $2, including subscription to the official Bulletin and the privilege of using the chapter as a bureau of information."

Two Branches of Work

The educational work available to members of the Correspondence Chapter consisted of two distinct branches: (1) a comprehensive course of study in Banking and Banking Law conducted by the International Correspondence Schools of Scranton; (2) reading courses in Practical Banking, Political Economy, and Commercial Law, with preliminary examinations required for those who desired to qualify for the Institute final examinations.

Regarding Banking and Banking Law, the Bulletin announcement stated:

Banking and Banking Law

> For this complete course, including correspondence instruction and sectional examinations and a duplicate of the instruction papers, bound in nine library volumes, the cost is as follows: Cash, $100; $10 down and $10 a month, $111; $5 down and $5 a month, $118; less thirty per cent to Correspondence Chapter members on any plan of payment selected. The reference library of nine volumes will be sent to each student as soon as he has paid $10. Members of other chapters may become associate members of the Correspondence Chapter without the payment of additional dues and thereby secure the same reduction. Students may enroll in the course in Banking and Banking Law either upon direct application to the International Correspondence Schools or through the Correspondence Chapter of the Institute.
>
> A shorter course, requiring less expense but more difficult work on the part of the student, includes six of the foregoing bound volumes and the usual examinations of the Institute, but not the sectional instruction and examinations of the International Correspondence Schools. The cost of such shorter course is $24 for the bound volumes and $2 for each of the Institute preliminary and final examinations.

The Bulletin pointed out that the reading courses in Practical Banking, Political Economy, and Commercial Law were entirely separate from the Banking and Banking Law course of the In-

Reading Courses

ternational Correspondence Schools and that the Correspondence Chapter conducted examinations in these subjects similar in character to examinations for the Institute certificate conducted in city chapters by authorized professors. A fee of $2 was charged for each preliminary and each final examination.

In July 1908 the Correspondence Chapter courses in Practical Banking, Political Economy, and Commercial Law were placed on a different fee basis. The tuition fee for each course, including a standard textbook and both preliminary and final examinations, was set at $10 less 30 per cent to chapter members.

Correspondence Course in Rhetoric

In May 1908 the Bulletin announced that a correspondence course in rhetoric had been prepared and was available through the Correspondence Chapter. The tuition fee was $30 less 30 per cent to chapter members, payable in six monthly instalments if desired. The October 1908 Bulletin announced that the work in this subject had been divided into two courses—condensed and complete—to meet the requirements of different classes of students. The difference was in the amount of practice and original instruction required. The tuition fee for the condensed course was $10 less 30 per cent to chapter members; the fee for the complete course remained the same as before.

THE BULLETIN

In keeping with the growth of the Institute in the other phases of its educational work, a number of changes were made in the official publication from 1904 to 1908. The criticisms of the Bulletin contained in the letter from the six chapter chairmen to the Institute president (quoted in Chapter V) are pertinent in this connection.

The main points of criticism were that the Bulletin was not a convenient size, that its contents did not appeal to a large number

Criticisms of the Bulletin

of bank clerks, that not enough space was devoted to the proceedings of chapter meetings, and that it was mailed from five to twelve days after the date of issue. In their proposed plan for taking over the management of the Institute (Appendix IV), the chapter chairmen suggested that the Bulletin be issued monthly instead of semimonthly, that it be a 64-page periodical printed in magazine size on a good quality of paper, with a substantial cover, and that it contain a greater variety and a better selection of material than the Bulletin then being issued. A note appended to the proposed plan read as follows:

> If it could be arranged so that four or five of the studies now being conducted in the Correspondence School, including Practical Finance, Commercial Law, Commercial Arithmetic, be conducted openly through the Bulletin, it would prove a more valuable feature, perhaps, and add to the interest in the paper.

Within a year's time many of the suggestions of the chapter chairmen were put in effect, although no change was made in the frequency of issue. As a matter of fact, the appended suggestion was the first to be carried out in a modified form.

In the Bulletin for February 1, 1904 the following announcement appeared on the editorial page:

New Departments

> The Bulletin has an important announcement to make to its readers which we believe will be welcomed by every one of them. It has been decided to establish a new department in the magazine, which department shall be entitled Banking Law Queries. In this department will be printed such questions dealing with Banking Law, Negotiable Instruments, Indorsements, Checks, etc., as may be sent in by members of the Institute, together with answers to the same. This department will be in charge of Thomas B. Paton, a gentleman well known to bankers as a member of the New York Bar whose specialty has been banking law, and who is therefore perhaps better qualified than any other to answer such questions as may be submitted by Bulletin readers. Mr. Paton is known to Institute members as an active friend of the or-

ganization since its beginning, and as one of the judges at the convention debate in Cleveland. He has also spoken on legal subjects before a number of the chapters. The department of Banking Law Queries seems likely to be one of the most important in the Bulletin, and we trust that when our readers meet with some question of banking law that puzzles them they will send it to the Bulletin immediately. Communications for this department should be addressed to Banking Law Queries, care of the Bulletin of the American Institute of Bank Clerks, 25 Pine Street, New York.

Mr. Paton, who was editor of the Banking Law Journal at the time, started his department in the February 15, 1904 issue of the Bulletin and conducted that department almost uninterruptedly from that date until July 1910, when the Bulletin was consolidated with the Journal of the American Bankers Association.

The May 1, 1904 issue announced the opening of two more special educational departments:

Beginning with the new volume, June 1, departments on Political Economy and Practical Banking will be a part of the Bulletin's contents and will be conducted on lines similar to the Banking Law Queries department. The new departments will be conducted by experts, and in them questions from students and readers of the Bulletin will be answered just as Mr. Paton now answers the queries in Commercial Law. If a student is studying Political Economy, and in his course of reading he finds something that puzzles him, if he will write to the Bulletin, his questions will be answered by competent authority in the Political Economy department.

Change in Form

The May 15 issue announced that beginning June 1, 1904 the Bulletin would be increased from 32 to 64 pages and that the page size would be reduced from 9½ x 13 to 6½ x 9½. An announcement in the June number stated:

The Bulletin begins its fourth volume with this issue, and begins it in a new form. Whereas it has formerly been a thirty-two-page paper, now it is a sixty-four-page magazine. Many of our readers preserve their

Bulletins for binding; to them the new form, with its smaller pages, will be doubly welcome. A year of the new Bulletin, when bound, will make a volume convenient to handle and of a size suited to the average bookshelf. It may be stood upon end like any ordinary book, instead of being laid upon its side because of its bulk, as many found necessary with a volume of the old style. The new Bulletin is easy to read, and may be conveniently carried in the pocket.

When the Bulletin was reduced to magazine size, the editorial pages were eliminated, but considerably more space was devoted to chapter news. Many chapter members, however, felt that there was still room for improvement. The conference committee appointed following the Minneapolis convention, consisting of Ralph H. MacMichael of Pittsburgh (chairman), Antrim H. Jones of Philadelphia, George D. Sears of Buffalo, H. P. Newcomb of Minneapolis, and George K. Wadsworth of Chicago, made three specific suggestions regarding the Bulletin in their letter which was presented to the trustees on October 10, 1905.

Suggestions of Conference Committee

In the matter of our official organ, we beg to suggest:

(a) That the policy of the Bulletin should include able editorials on matters of interest and profit to bank clerks;

(b) That certain evils should be corrected in the circulation department, such as serious and unwarranted errors in the subscription lists;

(c) That it is altogether feasible and dignified to admit a limited amount of advertising into the columns of the Bulletin, so that it may yield an income instead of being as heretofore an item of expense.

The secretary's reply embodying the trustees' decisions contained the following paragraphs in answer to these suggestions.

Change to Monthly Magazine

Beginning with January (1906), the Bulletin will be published as a monthly magazine in keeping with the growth of the Institute in character and size. The features which have been most interesting and valuable in the past will be continued and a department of editorial

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review and comment as well as special articles by experienced writers will be added.

The irregularities in the circulation department which have caused annoyance nearly all occurred during the operation of a publishing contract which has recently been terminated. Hereafter, under the direct management of the Bulletin by the trustees, every effort will be made to secure accuracy and system. In this connection attention is called to the fact that magazines directed to home addresses are less apt to go astray than when directed in care of banks.

The suggestion regarding advertising was ignored, for reasons that will be brought out later.

The New Bulletin

The editorial page of the January 1906 issue devoted several paragraphs to "The New Bulletin," three of which are quoted because of their interesting statement of policy.

In discarding literary knickerbockers and putting on full magazine dress, the Bulletin is simply keeping up with the growth of the American Institute of Bank Clerks in character and size. The Bulletin will hereafter contain more substantial and intellectual food. There is no intention, however, of omitting salads and ices, and in justice to the increasing number of new students there will continue to be more or less milk diet adapted to the youthful digestion. Readers who want nothing less than intense economics are therefore asked to exercise due patience when confronted with articles on the teller, the individual bookkeeper and the messenger. The students and friends of the Institute represent the character, ambition and brains of the banking business—without doubt the best constituency in the world—and the Bulletin will endeavor to be equal to its opportunities.

The Bulletin will treat everything from the viewpoint of banking education. Its editorials will be explanatory rather than controversial, and will always be conservative and fair. No hobbies will be ridden, and no isms advocated. Contributors will be permitted to treat special subjects in their own way so long as they are truthful and interesting.

The Bulletin realizes that it is the organ of an institution and not any individual and that its growth and usefulness must depend upon the growth and usefulness of the constituency which it represents. It will

′ ′ ′ ′ therefore be the aim of the Bulletin to elevate and extend the work of

the American Institute of Bank Clerks and the cooperation of every friend of banking education will be appreciated.

Advertising in the Bulletin

The subject of advertising in the Bulletin was one that cropped up with almost rhythmic regularity. When the Institute was organized in 1901, both the Committee on Education and the Institute administration enunciated the policy that the Bulletin, as the official publication of the Institute, would be sent out absolutely free from advertising. The first issue of the Bulletin, it will be recalled, clearly expressed the policy in this regard. That should have been the end of the matter, but the memory of man is short.

Eight months after the Bulletin policy on the matter of advertising was thus established, the Account, Audit & Assurance Company, in asking for a five-year contract dating from October 1, 1901, suggested that the Bulletin might be made self-sustaining if "advertisements of such articles as bank and office supplies, including safes, office furniture, stationery and blank books, advertisements of professional men, such as accountants and lawyers, and other advertisements of an unquestionable character were admitted" to its columns. James G. Gannon, then president of the Institute, submitted the proposed contract to the chairman of the Committee on Education, Robert J. Lowry, with this comment on the suggestion: "The proposed contract meets with my approval, it being understood that no advertisements are to be inserted in the Bulletin."

No doubt the only reason the six chapter chairmen failed to mention advertising in their letter of February 23, 1903 to J. B. Finley was that, knowing very little about Institute finances, it did not occur to them. By the time the conference committee came on the scene in 1905, it was fairly well established that the chapters would be taking over the management of the Institute

within a few years, and the minds of the committee members were working on the idea of making both ends meet. Hence their suggestion about admitting "a limited amount of advertising into the columns of the Bulletin."

As a matter of fact, after the conference committee's letter had been read and discussed at the meeting on October 10, the trustees present, representing a minority of the board, voted to accept approved advertisements in the Bulletin, exclusive of bank advertisements. Their action in this respect apparently was ruled out of order by the rest of the board members. Thus the secretary's letter to the conference committee, dated October 27, 1905, made no reference to the advertising suggestion. At the trustees' meeting on May 1, 1906, the action of the board taken on October 10, 1905, authorizing the publication of advertisements in the Bulletin, was rescinded.

At the Atlantic City convention of chapters in September 1906, E. D. Hulbert, then president of the American Institute of Bank Clerks, made the following statement in his address to the assembled delegates:

> I have said nothing about advertisements in the Bulletin, because there are a good many men in the American Bankers Association and on the Board of Trustees who are opposed to it. These men believe the Institute should show the ability and courage to support itself. The respect and good will of these men is worth more to you than any money you would get out of advertisements.

Following the Atlantic City meeting Fred A. Crandall, president of the Associated Chapters, appointed a national ways and means committee to prepare a plan for meeting President Hulbert's suggestion of self-support. A subcommittee, consisting of A. Waller Morton, chairman, E. A. Havens, and W. I. Dey, met in New York February 17, 1907 and worked out a suggested

plan, subject to the approval of the Board of Trustees. One of the means suggested for making the Institute self-supporting was to insert advertisements in the Bulletin. Needless to say, it did not receive the approval of the trustees.

Despite the history on the matter, at the trustees' meeting held May 6, 1907 Clay Herrick introduced a resolution "that it is the sense of this board that the Institute could be properly financed by taking advertisements in the Bulletin." After discussion the resolution was put to a vote and lost.

In April 1907 Fred A. Crandall appointed a Bulletin committee, which made its report at the Detroit convention the following August. The substance of that report will be summarized in the next chapter, but one paragraph is of special interest at this point:

> The trustees of the Institute decided the question of securing advertisements for the Bulletin and no time was wasted by the committee upon that subject, although it was the opinion of some of the members that advertising might profitably be permitted without injury to the educational work of the Bulletin.

When E. D. Hulbert, president of the Board of Trustees, formally transferred the property of the Institute to the custody and control of the Executive Council of the American Institute of Banking at the Providence convention in 1908, he mentioned the Bulletin specifically in these words:

> Whereas, the Bulletin is the property of the American Bankers Association; . . . it is hereby made a condition of this transfer that no advertising matter shall be admitted to the Bulletin without the consent of the Institute Committee of the American Bankers Association.

That should have settled forever the question of carrying advertising in the Bulletin. Whether or not it did remains to be seen.

Signed Editorials

The policy of having signed editorials was introduced with the November 1907 Bulletin. In that issue C. F. Spearin, chairman of the press committee, announced that his committee during the coming year "will be an aggressive agency in bringing to the Bulletin original ideas on banking topics and Institute policies. The plans are that this committee should write a large percentage of the editorials and encourage members of their chapters to do likewise."

During 1907 and 1908 the Bulletin became the arena or open forum for expressions of opinion on subjects generally referred to at the time as Institute politics, such as what to do about the has-beens, Institute veterans, and the Fellows. These as well as other features of the Bulletin are treated in their logical sequence in later chapters of this story.

XIII

The Institute Comes of Age

THE challenging address of President Hulbert at the Atlantic City convention gave the chapter leaders, both present and past, much to think about. Every one realized that the Institute had reached a crucial period in its history and that momentous happenings were in the offing. To understand the significance of events as they unfolded, let us review the situations that gave rise to certain problems for which solutions had to be found.

There was general criticism of the name of the organization, chapter members objecting to the word "clerks." As early as October 1901 Henry Dimse, president of Alexander Hamilton Chapter and cashier of the Citizens' Central National Bank, New York City, voiced his opinion at the Milwaukee convention of the American Bankers Association when he rose to second the motion recommending the appropriation of funds for the use of the Institute during the coming year. In the course of his remarks he said: "I regret that when the organization was formed, it was given the title American Institute of Bank Clerks. Had the committee omitted the words 'bank clerks,' I think that our membership would have been increased greatly." This was the first occasion on which the criticism was made openly, and it sounded a clarion note that subsequently echoed throughout the organization.

The chapter chairmen, in their letter of February 23, 1903 to J. B. Finley, suggested changing the name of the organization to American Bankers Institute. "We believe that the present name of the association," they said, "does not tend to attract the ele-

Criticism of Name of Organization

ment which it should strive to make friendly and inasmuch as many bank officials are at present among the members of the Institute, we would suggest that the term Bank Clerks be discarded and some name such as Bankers substituted in its stead."

At the Atlantic City convention, as indicated in Chapter X, P. J. Slach of Cleveland brought the subject to a head by moving that the Associated Chapters present a petition to the Board of Trustees recommending that the name of the organization be changed to American Institute of Bank Men.

The status of chapter members who had joined the ranks of bank officers was a problem that became increasingly perplexing as the Institute developed. A Bulletin article stated the situation thus:

Bank Officers and Active Chapter Membership

> The question as to whether bank officers should be permitted to be active chapter members is one on which the Institute is divided. Among western chapters the original idea that officers cannot be active chapter members is rigidly adhered to. Their theory is that the chapters were started by bank clerks for bank clerks. When a member ceased to be a bank clerk he at once ceased to be an "active" chapter member. Thus if a member is promoted to an official position in his bank he is considered no longer a clerk and becomes eligible to "associate" membership, in which he is entitled to all the benefits of active membership excepting that of holding office. The western members believe this principle is right, but the eastern members take exactly an opposite view and permit bank officers to be active members in the chapters. As there is no national regulation, there is no rule by which the chapters are bound.

Local Aspects of the Problem

Time and time again during the early years of the Institute, local chapters that adhered to the western policy found themselves without a president or other officer because of his promotion to an official bank position during his term of office. The problem gradually became the subject of regular and often prolonged discussions in the Bulletin, some of them characterized by "more heat than light."

A solution of the difficulty suggested by a member of one western chapter was that at the annual meeting an alternate be elected for each office, to avoid the necessity of holding frequent elections to fill vacancies. A member of another chapter asked whether it would not be well to amend the articles of association to provide that a chapter officer who received promotion to an official position in his bank be permitted to serve out his term of office. Neither of these suggestions was accorded any noticeable recognition.

At the time there was no thought among the western chapters of amending their governing rules to remove the membership restriction as far as bank officers were concerned. But in the fall of 1906, Cleveland Chapter abandoned the western rule and adopted an amendment to its constitution extending full privileges of active membership to bank officials. Apparently, other chapters were not induced to follow Cleveland's example, and the controversy between the eastern and the western chapters on the subject, through the pages of the Bulletin, continued to wax strong, becoming somewhat acute during 1907. A few excerpts will show the tenor of the arguments.

One of the most ardent advocates of the western rule was Lyman E. Wakefield of Minneapolis Chapter. He had the courage of his convictions and, right or wrong, he expressed them in a lengthy signed editorial that appeared in the April 1907 Bulletin. In the course of his defense of the western policy he said:

> The American Institute of Bank Clerks, in order to best fulfil its mission, must remain what its name implies, an organization of the bank men of the country not officially connected with any institution. By retaining as active members those who win promotion to official positions, the purpose of the Institute would soon be entirely defeated, and instead of an organization furnishing opportunity for development

of the men in clerical positions, we would have an association dominated and managed by men of demonstrated ability and in which the clerks would take but small interest. President Crandall in a recent article has given true testimony on this point, calling attention to the fact that each year at convention time it is noticeable that the men who were most active and prominent in conducting the affairs of the earlier conventions now attend only as interested spectators and to renew the friendships of former years, and then he adds: "Do the annual gatherings suffer because of these changes? Not in the least. Every vacancy in Institute ranks caused by promotion is at once filled by some ambitious, capable youngster, who takes up the work just where his predecessor left it, and carries it on without a break." And it is this very condition which makes the Institute such a success. The fact that the chapter leaders are passing on, leaving room at the top for others, is one of the strongest inducements now offered to chapter men for active work, and it is to be hoped that the "has-beens" will remain such, and will find a field for their surplus energies in the affairs of the American Bankers Association.

In the May 1907 Bulletin E. S. Eggers of Pittsburgh Chapter took issue with Mr. Wakefield. His communication was entitled by the editor: "Strong Protest Against the Decapitation of Chapter Veterans for the Sin of Professional Success."

The writer has read with a great deal of interest Mr. Wakefield's letter in the April number of the Bulletin. The question that first presented itself was, how does Mr. Wakefield know that all the western chapters have always felt strongly against allowing bank officers to be active members? Does Mr. Wakefield have the power to speak for all the western chapters? Does Mr. Wakefield know that at least one western chapter permits bank officials to be active members?

Pittsburgh is proud to number among its active members bank officers, many of whom come from the surrounding suburbs and whom the Institute has largely benefited. These men, even more ambitious than the city clerks, go to make up part of the backbone and sinew of the chapter management.

The burden of Mr. Wakefield's letter seems to rest on the influence that bank officers are supposed to exercise as active members. They

should only be interested spectators, otherwise known as innocent bystanders. They will be shorn of their power then, will they? Careful observers, not at some of the conventions, but all of them, have felt that the lobby of the innocent bystander was just as effective as anything done on the convention floor.

And one more quotation from an eastern man. Victor A. Lersner, president of Brooklyn Chapter, had this to say in the July 1907 Bulletin:

> Still another word on the question of divorcing bank officers from the Institute. I would refrain from injecting any more adjectives into the discussion, but must protest in the superlative against the policy of the destruction of the fittest.
>
> Consider the mass of reforms called for on all sides—not the ones which are left to legislation but which can only be secured by unity of action, such as a uniform form of bank checks or of voucher checks, or of the numberless items we read papers on or about.
>
> Surely the bank officers of the present and future who are or have been Institute men will be much more likely to take up the questions and try to solve them.
>
> No! Don't push out our bank officers; rather strive to get more of them in, for I believe we need them and their support fully as much as the clerks, and in some particulars a bit more.

National Aspects of the Problem

Let us go back a few years and consider the problem of bank officers from another angle. It ceased to be primarily a local problem after the Cleveland convention in 1903. Two instances in which the chairman of the committee on arrangements was faced with this difficulty have already been noted. In the first instance, Fred Kent "stepped aside" and passed the chairmanship for the 1904 convention on to R. M. Richter. In the second instance, both the vice chairman of the committee and the convention refused to permit the rule of the western chapters to bar Chairman George H. Richards from presiding at the Atlantic City convention.

An entirely new note was struck when the chapters were given

the privilege of nominating three members of the Board of Trustees. In this connection an article in the June 1906 Bulletin commented: "Now that the chapters have an opportunity of electing three members of the Board of Trustees, it is up to us to decide what to do. Shall we elect clerks who are now most active in Institute affairs, or shall we make selections from the numerous old chapter members who have become bank officers?"

Fellows Suggested

A February 1907 Bulletin editorial headed Save the Has-Beens commented on the western policy and then made the following statements: "Something should be done to save the veterans, not only for their own sake, but for the sake of the Institute. It has been suggested that there be added either to the parent body or to the Associated Chapters a class of members to be known as Fellows of the Institute to include chapter men who have been promoted to official positions and students who have passed the standard examinations."

This appears to have been the first mention of the term Fellows, and it should be noted carefully. For subsequent adoption of the suggestion led to the formation of the Fellows class, which eventually became one of the most controversial and hotly contested issues in the history of the Institute.

Some of the Has-Beens

Who were some of the has-beens, those chapter leaders who had passed on into the ranks of bank officers? How far had they gone up the ladder of officialdom at the time the question of bank officers and active membership was being debated in the Bulletin? Despite the somewhat heated arguments on the subject, the fact was that the majority of those veterans had gained only the first rung on the ladder. The following list, which is typical of what a longer one would show, gives the names and bank titles of a number of chapter men who had been prominently identified with the Institute at some time from 1901 to

1907. Relatively few of them were more than one step above the rank of bank clerk.

Alfred M. Barrett, assistant secretary
Joseph Chapman Jr., vice president
Seymour S. Cook, assistant cashier
Fred A. Crandall, assistant cashier
Henry Dimse, president
Brandt C. Downey, assistant cashier
Charles W. Dupuis, assistant cashier
Joshua Evans Jr., assistant cashier
James C. Fenhagen, assistant cashier
Louis W. Fricke, assistant secretary
Clay Herrick, assistant treasurer
Fred I. Kent, manager foreign exchange department
William E. Knox, secretary
Samuel Ludlow Jr., president
John H. Puelicher, cashier
George H. Richards, assistant treasurer
Peter J. Slach, assistant cashier
Roy L. Stone, assistant cashier
John Williams, assistant cashier
D. C. Wills, cashier
Ralph C. Wilson, assistant cashier
Edmund S. Wolfe, assistant cashier

The paramount problems of the Institute in 1906, however, were not those of local origin but rather those resulting from the natural process of Institute evolution. J. B. Finley expressed the situation concisely in his report as chairman of the Committee on Education to the annual convention of the American Bankers Association at St. Louis in October 1906.

Self-Government and Self-Support

The growth of the American Institute of Bank Clerks has developed problems of administration. The members of your Committee on Education and the gentlemen associated with them as trustees of the Institute have been united in the general idea that internal management should ultimately be placed in the hands of young men of Institute development, but differences have existed as to the time and method

of making such change. Some have believed that responsibilities of management should be given only to such students as should pass the standard examinations, and thereby assure the preponderance of educational rather than political influence. Others have considered this process too slow. Prevailing sentiment favored the quicker plan, and the chapters have accordingly been authorized to name three members of the Board of Trustees.

In the minds of both the Institute administration and the chapter leaders, self-government implied self-support. In fact, in his magnetic address at the Atlantic City convention, President E. D. Hulbert had not minced words on this point when he said:

> Now let us consider the money question. It has been a great surprise to me to find that many of you men who are leaders in this movement shrink from the financial responsibility. Mr. Allen has given me an estimate of what it costs to run the Institute as it is being run today. He thinks the present expenses are on a scale of about $15,220 a year. I have no doubt these figures are about right, but let us say $16,000, for round numbers. Of this amount nearly $9,000 is supplied by subscriptions to the Bulletin, leaving somewhere between $7,000 and $8,000 to be contributed by the American Bankers Association. Now, if you assume this obligation yourselves, it will amount to an additional tax of about $1 apiece per annum, assuming that we have 7,000 contributing members. This is about one-third of a cent a day for each member, in addition to what is already being paid. Isn't independence worth that to you? On this basis the entire tax on each member for the support of the general body, including the subscription to the Bulletin, would be about $2 per annum, or less than one cent a day on the basis of the present membership; as the membership increases, this would become less.
>
> If this tax is a hardship upon any of our members, and I am not denying that it may be, then, in my judgment, the hardship had better be endured. All men who are good for anything are willing to make sacrifices for independence. Men who fight against taxation without representation are entitled to sympathy and respect, but those who contend for representation without taxation are not likely to get much

of either. So long as you permit the American Bankers Association to furnish the money to run the Institute, you will be regarded by the Association somewhat in the light of children being educated at public expense, and you will be expected to follow the rules laid down for you, without much regard for your wishes. This, it seems to me, is an undignified and unnecessary position for you to occupy, and I feel sure you will not continue in it for long.

Perhaps this portion of President Hulbert's address, more than any other, stimulated the chapter leaders to action. The views of the veterans on the subject were well expressed by George H. Richards of Minneapolis in a Bulletin article under the heading Institute Government and Finance:

Up to the present time the opportunity to make the Institute a self-governing and self-supporting organization did not exist. The American Bankers Association was willing to finance it, and we are told it would probably continue to do so for some time, but it has been pointed out to us by the president of the Board of Trustees that it is time for us to show a spirit of self-reliance by taking over the control of the organization. If this proposition had come from the chapters it might not have appeared expedient, but, coming as it does from the president, there is just one thing for the federation of chapters to do, and that is this: Adopt some plan which will provide ample money for conducting the Institute.

There were some chapter members who thought that self-government and self-support would necessarily mean separation from the American Bankers Association, but the mere suggestion of that idea in the Bulletin brought forth a wave of vehement protests. Ralph Wilson of Chicago voiced his protest thus:

Institute self-government embodying absolute separation from the American Bankers Association does not appeal to me. In fact, I would consider it a serious blunder. I think the two organizations are inseparable and must always remain so. Self-government is feasible and desirable, provided, however, that it be participated in by the American Bankers Association actively, seriously, and cordially.

Freas Brown Snyder of Philadelphia, chairman of the national educational committee, expressed his attitude and at the same time gave an inkling of events to come when he said:

> No one has opposed more consistently than the writer any change in Institute government which would affect our close relations with the American Bankers Association. But the thoughtful plans of one of our best friends, ex-President John L. Hamilton of the parent organization, imply the possibility for us to organize as a section of the Association similar to the clearing house or savings bank section, and it has been proposed to so amend the constitution as to make us independent but still retain the interest and friendship of our founders. As any action which would have brought a different result was heartily opposed, so must this be welcomed with equal heartiness.

Soon after the Atlantic City convention in 1906 Fred A. Crandall, president of the Associated Chapters, appointed a national ways and means committee consisting of one member from each chapter plus the officers of the Associated Chapters, with A. Waller Morton of Baltimore as chairman. To a subcommittee composed of Chairman Morton, E. A. Havens of Providence, and W. I. Dey of New York was delegated the duty of preparing a practical plan to meet President Hulbert's suggestion of self-support.

After corresponding with each member of the committee, the subcommittee met in New York on February 17, 1907 and worked out a plan which it was believed would place the Associated Chapters on a sound financial basis. This plan was then submitted to each member of the ways and means committee, with a request for his personal opinion regarding it and also the opinion of his chapter. The result was an almost unanimous vote in favor of the plan, subject to the approval of the Board of Trustees. The plan, in brief, was to provide a cash sinking fund, or guaranty fund, by levying a per capita tax of twenty-five

cents and to raise additional funds through advertisements of a limited character in the Bulletin.

Mr. Crandall and Mr. Morton were invited to attend the meeting of the trustees held at Hot Springs, Virginia, on May 6, 1907. Early in the discussion of Institute affairs it developed that the views of the trustees on the question of self-support had changed during the time that had elapsed since the Atlantic City convention. The prevailing opinion now was that, inasmuch as the American Bankers Association was entirely satisfied with the results obtained from the money expended in behalf of the Institute, it would be wiser for the Institute to continue to accept this aid than to enter the commercial field of advertising, a step which would be necessary if the support of the Association were to be withdrawn. Thus the plan which the ways and means committee had gone to great lengths to work out so carefully was abandoned as inadvisable and unnecessary.

Momentous Events at Trustees' Meeting

"In the psychology of human nature," said George E. Allen, "radical moves are sometimes made by conservative men." Thus, to the surprise of chapter leaders, and perhaps also of themselves, the trustees made history for the Institute at their meeting on May 6, 1907 by taking a number of unexpected but wholly gratifying actions.

First, Joshua Evans Jr. presented the following resolution, which was adopted by a unanimous vote.

RESOLVED, That the trustees recommend that the government of the Institute be turned over to the Associated Chapters as soon as convenient.

J. B. Finley then moved that a committee of three be appointed to meet a like committee from the Associated Chapters to take up the matter of turning the Institute over to the chapters as soon as convenient. The motion was carried, and the president

appointed Joseph Chapman Jr., J. H. Puelicher, and Clay Herrick as members of the committee, with Mr. Chapman as chairman.

Charles B. Mills presented the following resolution, which was adopted.

RESOLVED, That the American Bankers Association be requested to make the Associated Chapters of the Institute a section of the Association with the understanding that an annual appropriation shall be made by the council to defray the necessary expenses of the national body.

A committee consisting of Charles B. Mills (chairman), Clay Herrick, and B. C. Downey, with the president ex officio, was appointed to draft a suitable report on this matter to be presented to the American Bankers Association. At a subsequent meeting held the same day, Chairman Mills submitted the committee's report in the form of the following resolutions, which were adopted.

RESOLVED, That the American Bankers Association be requested to make the Associated Chapters of the American Institute of Bank Clerks a section of the American Bankers Association to be represented on the council of the American Bankers Association by three representatives and with the understanding that an annual appropriation not to exceed $10,000 as heretofore provided for shall be made by the Executive Council of the American Bankers Association to defray the necessary expenses of the Institute.

RESOLVED, Further that it is the sense of this meeting that the representative chosen for the three-year term shall be the president of the Board of Trustees of the Institute; that the two-year member shall be the present president of the Associated Chapters; that the one-year member shall be the president of the Associated Chapters to be elected at the Detroit convention; and that thereafter the president of the Associated Chapters shall be elected for the three-year term.

Two proposed amendments to the constitution were brought up for action at this meeting. One was stated in the alternative.

RESOLVED, That article first be and hereby is amended so as to read as follows:

FIRST. The name of the association shall be American Institute of Bank Men,

or

FIRST. The name of the association shall be American Institute of Banking,

or

FIRST. The name of the association shall be American Bankers Institute.

On motion of B. C. Downey, the provision changing the name of the association to American Institute of Banking was adopted by a unanimous vote, thus eliminating a criticism of long standing.

The following resolution amending section tenth of the constitution also was unanimously adopted.

RESOLVED, That section tenth of the constitution be and hereby is amended by striking out the words "but the membership of the Institute shall never exceed twenty-five members" and by providing for annual dues, making said section tenth as thus amended read as follows:

TENTH. Those persons who shall sign this constitution before the first meeting of the Board of Trustees shall constitute the original membership of the association and shall remain full members thereof except as hereinafter provided. Other suitable persons engaged in the banking business or connected therewith may be from time to time elected by the Board of Trustees to full membership in the Institute. Only the original members and those elected as full members of the Institute shall have the power of voting at the annual or special meetings of the Institute. The annual dues of members shall be $5 a year except that the annual dues of members who are also chapter members shall be only $2 a year.

The result of this amendment was to remove the limitation on national membership and thus open the ranks to chapter members.

A few other actions relating to the chapters were taken at the meeting on May 6. By vote of the trustees, Clay Herrick was

appointed to represent the board at the convention of the Associated Chapters in Detroit in August. A vote of thanks was "formally extended to F. A. Crandall, president of the Associated Chapters, and A. W. Morton, chairman of the chapter ways and means committee, for their attendance at the meeting and the efficient work done by them and their associates and the information submitted regarding Institute conditions." Finally, "it was voted to be the sense of the meeting that vacancies in the Board of Trustees occasioned by the expiration of terms in 1908 and 1909 should not be named by this body but by the Associated Chapters in convention assembled."

Executive Council Action on Trustees' Resolutions

At a meeting of the Executive Council of the American Bankers Association held the same day as the trustees' meeting, E. D. Hulbert presented the resolutions requesting that the Associated Chapters of the American Institute of Bank Clerks be made a section of the American Bankers Association, with representation on the Executive Council, and that an annual appropriation be made by the Association, as theretofore, to defray the necessary expenses of the Institute. Action on the matter was laid over until the following day.

On May 7, when the resolutions were again considered, it was moved that the Associated Chapters submit a proposed constitution and by-laws and that in the meantime the president, the vice president, and the chairman of the Executive Council "look into the conditions of the American Institute of Bank Clerks and make such recommendations as they deem wise" at the next meeting of the council. This motion was carried and final action, therefore, was deferred until the September meeting of the Executive Council. The officers of the Association named a committee "to confer with members of the American Institute of Bank Clerks relative to formulating a plan for harmonizing

relations" between the two organizations. The chairman of that committee was G. S. Whitson of New York City.

Joint Committee on Constitution

In accordance with the resolution of the trustees looking toward the transfer of the government of the Institute, Fred A. Crandall announced that the Associated Chapters would be represented by the three men composing the subcommittee of the national ways and means committee. Chapter members, particularly the veterans, were watching the unfolding of events with intense interest. Anticipating the work that the chapter committee would be called upon to do in preparing a new constitution, D. C. Wills of Pittsburgh expressed the sentiments of the veterans thus:

> I belong to the has-beens and my first suggestion to the able members of Mr. Morton's committee is to make a place for the fellows that "used to be." Those who were active in the early days of the Institute, I am sure, all wish to retain some sort of identity with the Associated Chapters. Some of us who were (rank) insiders dislike to be rank outsiders.

On June 1, 1907 A. Waller Morton, E. A. Havens, and W. I. Dey, representing the Associated Chapters, met in New York and prepared a tentative draft of a new constitution and new by-laws. On June 27 this committee met in Chicago with Joseph Chapman Jr., Clay Herrick, and J. H. Puelicher, the committee representing the Board of Trustees. As a result of their joint efforts a form of constitution and a set of by-laws acceptable to the trustees were produced. These governing rules were published in the August 1907 Bulletin, accompanied by the statement that if they were approved at the Detroit convention of the Associated Chapters, they would be submitted to the American Bankers Association with the request that the American Institute of Banking be made a section of the parent organization.

The constitution and by-laws prepared by the joint committee will be referred to further in connection with the story of the Detroit and Providence conventions.

A Place for the Has-Beens

An interesting commentary on the amendment of section ten of the constitution appeared in the July 1907 Bulletin. It was written by Newton D. Alling, a member of the Board of Trustees who had been nominated by the Associated Chapters at the 1906 convention.

> The national Institute was composed of not more than twenty-five members. The members elected the trustees, who were, of course, members. The action of the board in removing the limit upon the membership was with the intention of broadening the Institute as a national organization. Here we have a goal for all earnest chapter men to strive and work for. No more need we hear of "has-beens," for they may all be corraled into the "blue empyrean" of a "national." The nine who were at once taken in are an example of how this class may be enlarged in the future. I should be in favor of a committee being appointed at Detroit to recommend some ten or twenty old chapter workers for this honor, and to invite twenty-five or fifty prominent bankers throughout the country to join, and after that to put a limit of say ten chapter men who can be elected in a year and the same limit for other bankers. Thus would grow up a select organization to which it would be a great honor to belong.

While the term Fellows is not mentioned, there is the suggestion of a special class of members which would offer a solution of what to do about the has-beens. This suggestion, like that of the Fellows referred to earlier, is noteworthy because of its historical significance.

The fifth national convention of chapters, held at Detroit, Michigan, was called to order Thursday morning, August 22, 1907, by President Fred A. Crandall of Chicago.

Clay Herrick of Cleveland, representing the Board of Trustees, addressed the delegates on Institute Ideals and briefly indi-

cated the directions in which the scope of the organization would inevitably be broadened in the years to come. Pertinent excerpts from his address follow.

Convention of Associated Chapters

Detroit

With the growth of the Institute year by year, it is inevitable that new problems for solution will arise, and that the scope and aims of the organization will be broadened. It has already become evident that the Institute may be expected to do work of a broader nature than the mere training of the bank clerk in the routine duties of his position, though this is its essential work and must never be slighted. But the bank man must know something more than practical banking in its narrower sense. So great in our complex modern civilization are the ramifications of the banking business that to understand it thoroughly one must keep in touch with all the industrial, political and social questions of the day. The more knowledge of a general nature the bank man has, and the more he has learned to think correctly on any of the problems of our age, the more useful he will be to his bank in whatever position he may hold.

But the bank man is more than a bank employee; he has a duty and an opportunity for service as a citizen, and, in my opinion, occupies a position which gives him exceptional opportunities to make his citizenship count for much in the progress of the nation.

As Mr. Hulbert told you in that splendid address delivered by him last year at Atlantic City, the original purpose of the "educational committee" of the American Bankers Association was not the education of the bank clerk, but the education of the public on banking and financial questions. When the committee organized the Institute, there were those who thought that it was going rather aside from the real purposes for which it was created. It now begins to look as though the committee took what will in the end prove the most effective, though an indirect, way of educating the public on these questions, by first educating and setting to work the great body of bank employees, who are, on the whole, in closer touch with the people than are the bank officers. At any rate I believe that no man is living up to his opportunities in the Institute who fails to appreciate his duties as a citizen and the services which he is in position to render to his country. It is clearly our duty to study public questions and to enroll ourselves fearlessly on the right side of those questions.

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Papers and Discussions by Chapter Members

Three interesting addresses were delivered by chapter members at the Thursday morning session: Bank Examination, L. E. Wakefield of Minneapolis; How the Small Account May Become Valuable, G. G. Fischer of Milwaukee; Value of Personality in Banking, H. J. Guckenberger of Cincinnati.

The afternoon session was given over to departmental discussions, conducted by Franklin L. Johnson of St. Louis. The discussions covered credit department methods, letter filing, and handling collections. Papers on these subjects were presented, respectively, by William M. Rosendale of New York, F. W. Chamberlin of Detroit, and Walter L. Johnson of Chicago.

Three more papers by chapter members were presented at the Friday morning session: Value of Bank Examination by a Committee of Its Clerks, Milton L. Wicks of New York; What China's Awakening Will Mean to the United States, W. F. Paull of Seattle; The Commercial Value of the Panama Canal to the United States, George H. Keesee of Richmond.

Report of Committee on Credentials

The committee on credentials submitted a report which was adopted as the basis of chapter membership and voting representation. Since this was the first official report of its kind published in the Bulletin, it is reproduced here in full.

Chapters	Membership	Delegates
Appleton	23	2
Baltimore	502	22
Brooklyn	89	5
Buffalo	26	3
Cedar Rapids	42	3
Chicago	1,076	45
Cincinnati	177	9
Cleveland	156	8
Davenport	51	4
Decatur	18	2
Des Moines	57	4

Chapters	Membership	Delegates
Detroit	176	9
Hartford	150	7
Hastings	20	2
Head of the Lakes	86	5
Indianapolis	53	4
Kansas City	14	2
Little Rock	71	4
Los Angeles	200	9
Milwaukee	255	12
Minneapolis	206	10
New Orleans	151	8
New York	580	25
Oshkosh	35	3
Peoria	53	4
Philadelphia	303	14
Pittsburgh	722	30
Providence	230	11
Richmond	151	8
Rochester	46	3
St. Louis	200	9
St. Paul	128	7
San Francisco	275	12
Scranton	66	4
Seattle	180	9
Sherbrooke (Canada)	53	4
Springfield, Mass.	66	4
Valley	22	2
Washington	302	14
	7,011	342

Convention Debate

The afternoon session on Friday was taken up by a steamboat ride to St. Clair Flats, where the annual convention debate was held. For the first and only occasion in Institute history, the debate was held on shipboard. The dancing deck was filled with chairs, the storm curtains were drawn, and an ideal setting was thus provided for the "oratorical flights."

The subject was: Resolved, That the commercial development

of the age has been detrimental to the highest interests of the people. W. S. McCormick of Detroit and Duncan G. Bellows of Chicago upheld the affirmative; Harry V. Haynes of Washington and Raymond B. Cox of Baltimore supported the negative. The decision of the judges was rendered in favor of the negative.

Committee Reports

At the Saturday morning session the chairman of the Bulletin committee, A. G. Boal of Pittsburgh Chapter, presented a lengthy report, which was accepted and referred to the Board of Trustees. The highlights of the report follow.

By means of an exhaustive inquiry among the members of one or two chapters and by general inquiry among other chapters, it was found that the Bulletin has many readers and could hardly be dispensed with, as some cynical critic had suggested. Your committee is of the opinion that the Bulletin is the clearing house of Institute work—the center around which the chapter work revolves. If taken away, disorganization would follow.

We would recommend, first, that the general appearance of the Bulletin be improved, by printing it on better paper, by illustrations, by printing the likenesses of our officers, trustees, and the members promoted to official positions from time to time, and by adopting a cover of a less sombre hue.

We recommend, in the second place, the printing of more editorial comments and short articles on current events, each to be signed by the writer, so that they would in no way commit the Institute to the opinion of any particular class of persons.

Third. An official staff of regular contributors should be appointed from Institute members, each to be assigned a special field of work for education in banking.

Fourth. A financial literature review department should be established and conducted by a competent writer and critic. The reviews in this department should be terse and businesslike, and not of the heavy encyclopedia style affected by some writers.

Fifth. Current Court Decisions should be discontinued, or at least cut down, as the decisions are in many cases only applicable to one state

and many of the facts upon which the decisions depend are not set forth.

It may be said here, parenthetically, that the Institute administration acted favorably on these major recommendations and that most of them were put into effect within the next half-year.

Freas Brown Snyder, chairman of the national educational committee of the Associated Chapters, made a verbal report in which he recommended uniformity in chapter work. He stated that an arrangement had been made with the International Correspondence Schools of Scranton to conduct that important feature of Institute work and that the next educational committee, therefore, could devote its efforts to the promotion and systematization of methods within the various chapters.

Providence was selected as the 1908 convention city.

Annual Election

Frank M. Polliard of Pittsburgh was elected a member of the Board of Trustees for a term of three years to succeed Joshua Evans Jr.

The election of officers of the Associated Chapters resulted as follows: A. Waller Morton of Baltimore, president; Roy L. Stone of Milwaukee, vice president; Samuel J. Henry of Washington, recorder; Irving H. Sanborn of San Francisco, treasurer.

Members of the executive committee elected were George H. Keesee of Richmond, A. T. Hunt of Scranton, H. J. Guckenberger of Cincinnati, L. E. Wakefield of Minneapolis, and C. S. Harley of Seattle.

The officers were elected under the old constitution, and the new constitution as published in the Bulletin was adopted at the Saturday afternoon session with only minor changes, subject to the approval of the American Bankers Association.

The new constitution established a group known as the Fellows class, and the provisions relating to this group had given

Fellows Class Established

rise to lengthy discussions, one on the boat returning from St. Clair Flats and the other a midnight session held on Friday at the Cadillac Hotel. There is no record of the details of those discussions, but an article by W. I. Dey of New York in the December 1907 Bulletin contained this sentence: "The clause pertaining to the election of the class of Fellows, which was debated at length at the Detroit convention, will, I feel, work out satisfactorily."

Article III of the new constitution provided for two classes of membership, Fellows and Chapters.

> Fellows shall consist of present national members and such others as the executive council, hereinafter provided, shall elect, subject to the following qualifications: (a) bank officers who are interested in the work of this Institute; (b) chapter members who shall have been president or vice-president of the Institute or chapter conventions; (c) chapter members who shall have been president of their chapters; (d) and such members who shall have passed the prescribed examinations of the Institute. Provided that not more than fifty Fellows shall be elected the first year and not more than twenty-five each succeeding year.
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> Chapters shall consist of the present members of the Associated Chapters and such other chapters as may be admitted to membership by the executive council.

Article V on the annual convention stipulated, among other provisions, that "Fellows in attendance shall be entitled to one vote each on all questions except the election of chapter members of the executive council."

Article VII on the government of the Institute provided for the election of seven members of the executive council by the chapters in convention from members not bank officers and the election of six members of the executive council by the Fellows.

Certain other provisions of the constitution merit brief attention. Article VI provided that the officers were to be elected

"from members not bank officers." Thus it is evident that those who feared domination of the Institute by the has-beens were successful in imposing the rule of the western chapters as far as the officers were concerned.

Other Provisions of the Constitution

Section 2 of Article VII required the executive council to elect one of their number chairman, "who must be duly qualified to represent the Institute before the American Bankers Association." This clause meant that the chairman had to be an officer of a bank that was a member of the Association. The election of such a chairman was imperative if the Institute was to become a section of the Association, since the president elected under the provisions of Article VI of the new constitution could not qualify.

Section 2 of Article VII also provided for the appointment of an educational director by the executive council "and such other employees as may in their judgment be necessary, to serve during their pleasure."

National Membership Committee

A new national committee came into existence following the Detroit convention. Under the caption Administrative Plans, President A. Waller Morton of the Associated Chapters made this announcement in the Bulletin: "A membership committee has been appointed with G. Jeter Jones of the Merchants National Bank of Richmond, Va., as chairman. The efforts of this committee will be directed toward enlarging the field of our usefulness through the organization of chapters in several cities which are large enough to sustain such organizations."

Report of Trustees to A.B.A.

The report of the president of the Board of Trustees to the American Bankers Association for the year 1906-1907 was without question the most significant of the annual reports on the Institute yet rendered. Unfortunately, under a ruling of the Association, the report had to be filed not later than July 15 so

that it might be printed with other reports in advance of the convention; hence the trustees could not take into consideration what was likely to happen between that date and the convening of the Atlantic City convention in September. Nevertheless, the report showed the progress of the Institute and set forth the views of the trustees on the relationship between the Institute and the Association in no uncertain terms. For that reason a portion of it is quoted here.

After reviewing the actions taken at the trustees' meeting on May 6, 1907 and commenting particularly on the resolutions requesting that the Associated Chapters be made a section of the Association, President Hulbert continued:

> All these proceedings tend to the same point; namely, that the active management of the Institute is to be transferred from the American Bankers Association to the Associated Chapters. The proceedings of the Association for 1900 show that the founders of the Institute intended that this should be brought about within a year, or, at most, two years, after the organization of the Institute. It was thought at that time by the Committee on Education that the Institute would become self-supporting by the payment of annual dues by the members. It has been demonstrated, however, that this cannot be done, and in the opinion of a majority of the Board of Trustees, it ought not to be expected. The officers of the banks are not required to personally defray the expenses of the American Bankers Association, and it is admitted everywhere that the maintaining of the Association is a proper charge upon the banks. For the same reason, the maintenance of the Institute is believed to be a proper charge upon the banks, and it is believed the best method of financing the Institute is that now in operation; namely, the annual appropriations made by the Executive Council of the Association.
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> While the propriety and necessity of turning the management of the Institute over to the Associated Chapters is generally admitted and recognized, it is felt that a complete severance of relations between the Association and the Institute is undesirable, and is not desired by the Associated Chapters. It is, therefore, strongly urged that the Association, through the Executive Council, comply with the request of the Board of

Trustees to make the Institute a section of the Association, with at least one representative on the Executive Council, thus giving the clerks entire freedom of action in the management of their affairs without separating them from the Association. In anticipation of some such action, a constitution has already been prepared for adoption by the Associated Chapters, which provides that the chairman of the executive council of the chapters must be a duly qualified member of the American Bankers Association: that is, he must be an officer of some bank which is a member of the Association. The object of this is to make it possible to give the Institute a representative on the Executive Council of the Association who would be eligible to such a position under the present constitution and rules of the Association.

Last Official Meeting of Board of Trustees

The last official meeting of the Board of Trustees was held on September 24, 1907 at Atlantic City, New Jersey. "The new constitution intended to amalgamate the national Institute as originally organized and the Associated Chapters as now conducted was approved by the board" (subject to approval by the American Bankers Association) with the addition of a provision that "the secretary shall at once notify the chairman of the Executive Council of the American Bankers Association" of any proposed amendment.

In a discussion of the Fellows class to be established under the new constitution, attention was drawn to the fact that the delegates to the Detroit convention of the Associated Chapters had felt that the number of national members then in existence was not representative of the chapters.

National Membership Increased

Therefore, under a resolution duly adopted, the president appointed a committee, with B. C. Downey as chairman, to communicate with the chapters for the purpose of securing the names of older men who had been active in their chapters and had been promoted to official bank positions, as well as the names of men who were "warm friends of the chapters generally." From the names submitted, the committee was to recommend

a suitable number to be taken into the national membership immediately, so that the Fellows class at the start "might be more nearly representative of the live and active element of the chapters."

The committee selected forty-eight names from those submitted by the chapters, with due consideration given to geographical distribution as well as personal merit, not more than two being taken from any one chapter. The list of nominees was then submitted to the trustees for a mail vote, and on the return of a majority vote, they became duly elected national members. These forty-eight new members plus the thirty-one national members as of September 24, 1907 made a total of seventy-nine men who would become Fellows automatically when the new constitution went into effect in July 1908.

Action Taken by A.B.A. Executive Council

At a meeting of the Executive Council of the American Bankers Association held at Atlantic City, September 23, 1907, G. S. Whitson, chairman of the committee that had been appointed to confer with members of the American Institute of Banking, reported verbally that he had carried out the instructions of the council and had communicated the result to the president of the Institute, that his committee had reached the conclusion that the members of the Institute as a whole did not want representation on the council but simply wanted some assurance that they would continue to receive the annual appropriation theretofore made by the parent organization. The committee recommended the continuation of the appropriation and the appointment of a committee of three, composed of two members of the Institute and one member of the Association's Executive Council, to have charge of the distribution of the funds thus made available.

Joseph Chapman Jr., when requested to comment on the situ-

ation, remarked that he understood the matter as Mr. Whitson had reported it.

The proposed amendment to the Association's constitution which would provide for making the Institute a section of the American Bankers Association was then brought up for consideration. Former President John L. Hamilton, its sponsor, commented that in offering the amendment he had had the best interests of the Association and the Institute at heart, but that in view of the statements made by Mr. Whitson and Mr. Chapman, it would be best to postpone action on the proposed amendment until such time as the Institute made known its desire in that respect.

After some discussion the Executive Council decided to report to the convention that it was advisable to defer action indefinitely on the creation of an Institute section.

Although the matter of making the American Institute of Banking a section of the Association was thus postponed, the new constitution was approved by the Executive Council at a meeting on September 24, 1907, with the addition of the provision regarding proposed amendments already noted. It was generally agreed that the management of the Institute would be turned over to the Associated Chapters by the parent organization at the Providence convention in 1908, when the new constitution would take effect.

At a meeting of the Executive Council held on September 27, 1907, the customary appropriation was made for the use of the Institute, and the chairman of the council appointed a committee to control the expenditure of that fund. The committee, to be known as Committee on American Institute of Banking, or simply Institute Committee, was composed of Joseph Chapman Jr., John F. Thompson, and E. D. Hulbert.

Mr. Chapman, as a member of the Association's Executive Council, was named chairman of the committee.

Politics to the Fore Again

With the new constitution approved and the question of what to do about the has-beens reasonably settled, the interval between the Atlantic City meetings and the Providence convention should have been characterized by "peace and quiet on the Institute front." But no sooner had the old problems been solved than new ones cropped up, and for several months the pages of the Bulletin were the accepted arena for battles. Politics was a burning topic. Should the unit rule prevail? Should there be pre-convention pledges of votes? Should aspirants for office be required to announce their candidacies a specified period prior to the convention?

Some of the articles were what might be termed "hot." Among the contributors were Alfred M. Barrett and W. I. Dey of New York, E. S. Eggers, Frank M. Polliard, and Ralph MacMichael of Pittsburgh, Alexander Wall of Milwaukee, Freas Brown Snyder and William S. Evans of Philadelphia, Craig B. Hazlewood of Chicago, and Samuel J. Henry of Washington.

George E. Allen enjoyed the political scene and atmosphere. He kept his eyes and ears open and his mouth closed for the most part. However, he did burst forth in one issue of the Bulletin during this period with the following sage observation:

> Judging from the editorial contributions in the Bulletin the paramount idea seems to be politics. So long as such discussions are conducted in the open, however, there is no danger of disaster to the organization. It is behind-the-backs and under-the-ribs politics that poisons and kills. Agitation will evolve some policy which will bring the two extremes into harmony. In view of the fact that chapter work is year by year becoming more earnest and systematic, the probabilities are that the growth of the educational spirit will in due time overshadow what is known as Institute politics and thereby settle the question by evolu-

tionary process. In the meantime let the talk about politics go on and his satanic majesty absorb the rear guard.

Although the attention of chapter leaders during the two-year period 1906-1908 was to a large extent focused on Institute problems of national significance and on the accompanying political issues, there was a steady growth throughout the organization locally. It is impossible to detail all the developments of the period, but some of the more noteworthy happenings deserve brief mention in this story.

Uniformity in Chapter Work

On the subject of uniformity in chapter work, Secretary Allen rendered a favorable report of progress in December 1907, as follows:

> There is a gratifying tendency among chapters to adopt uniform objects and methods in educational work. The most successful policy is to conduct classes in the principles and practice of banking and in commercial law for the benefit of earnest workers and to maintain general meetings of lighter character to create and maintain interest among members who have not yet learned to take education in allopathic doses.
>
> The Institute examinations, which have heretofore been received in the approximate proportion of 10% mania, 10% phobia, and 80% apathy, are beginning to get their innings. The plan of localizing such examinations promises to meet Institute conditions.

State and Group Chapters Suggested

The possibility of organizing state and group chapters, which had been suggested by several Institute men in 1903 when the formation of a Chautauqua Chapter had been proposed, was given consideration by the trustees three years later. After the completion of the regular business at their meeting on October 19, 1906, "an informal discussion ensued, which was continued at a meeting of some of the trustees on the following day. The general sentiment seemed to be that an effort should be made to organize chapters in states and groups corresponding to the

various state bankers associations. Such chapters could not, of course, work along exactly the same lines as large city chapters, but meetings annually or oftener would be beneficial educationally and would stimulate a fraternal spirit similar to that which had been created at metropolitan centers and in the chapter conventions. It was thought that such chapters would create interest in the Institute study courses and would bring city and country bank men into closer relationship."

To show the plan on which the chapters might be operated, suggested articles of association were drafted and published in the December 1906 Bulletin. Nothing further developed at the time, but it is interesting to note that two forms of organization which came into existence many years later were actually given serious consideration thus early in Institute history.

Chapter Publications

Chicago Chapter had had an official publication, The Bank Man, for some time before other chapters introduced this feature. In December 1907 the Detroit Chapter News made its initial appearance. Pittsburgh Chapter launched its Chapter Clearings in February 1908, and Los Angeles brought out the first issue of its publication, the Chaptergraph, in June 1908. All were monthly publications. Even in these early years the chapters began to realize the value of this means of bringing their members in closer touch with the work of the Institute and of keeping them in touch with each other.

Proposed Institute Text on Practical Banking

After the Correspondence School of Banking courses were discontinued, the Institute made no attempt to prepare its own texts for the examination subjects; instead, it prescribed certain books of commercial publishers for study and recommended others for collateral reading. The first suggestion of having the Institute write its own text on practical banking came from the national educational committee that had been appointed by the

president of the Associated Chapters following the Atlantic City convention in September 1906.

In its preliminary report, which appeared in the December 1906 Bulletin, the committee called attention to the need for a suitable textbook on practical banking and expressed belief in the ability of Institute members to produce such a book. The idea took root, and in the fall of 1907 the president of the Associated Chapters delegated to the educational committee general supervision of the project. Alexander Wall of Milwaukee, then chairman of the committee, reported on the matter in the April 1908 Bulletin as follows:

> At the present time the committee is endeavoring to form a skeleton for the book, drawn up in such a manner as to cover the subject of banking and at the same time to be in such form that the separate chapters of the book can be given to the different chapters of the Institute for compilation.
>
> If we are to publish a book, it can be done only by having the combined support of the entire Institute behind us. If the Institute is to grow and become the useful adjunct to the American Bankers Association that it should be, it can be done only by having the individual members always bear in mind these two facts: First, learn your subject thoroughly, and second, after having learned it, do not hesitate to advance your ideas. What we want is a body of men who have ideas and who are not afraid to uphold them.

It will be interesting to follow the progress of the educational committee in carrying out this undertaking after the Providence convention.

Debating

During 1906-1908 debating took a few new turns. First, there was the innovation of debates at state bankers association conventions. In August 1906 L. E. Wakefield reported that debates between Minneapolis and St. Paul chapters at the convention of the Minnesota Bankers Association had become annual affairs and that the bankers association had provided a silver trophy

which was to go permanently to the chapter winning two out of three debates. In September of the same year Pittsburgh Chapter reported that the Pennsylvania Bankers Association had invited Philadelphia and Pittsburgh chapters to hold a joint debate before the state bankers convention the latter part of the month.

During the year 1906-1907 Chicago Chapter organized a debating society which met twice a month. Fred W. Ellsworth reported: "The meetings have proved intensely interesting and chuck full of educational value. Craig Hazlewood is president of the club and backed by a loyal membership is making the work of this auxiliary society count."

Western Debating Conference

The following year the debating society idea expanded into a western debating conference composed of Chicago, Milwaukee, Minneapolis, and Detroit chapters. A formal organization was effected in the spring of 1908 when these chapters adopted a constitution of the "Western Debating Conference of the American Institute of Banking." The object of the organization was to systematize the intercity debates of the member chapters by having them conducted under uniform rules and conditions, "to the end that the highest standard of competitive debating" might be attained.

The somewhat lengthy constitution was published in full in the May 1908 Bulletin. The subjects covered, many of them by detailed provisions, were: name, object, membership, officers, duties of officers, selection of question, judges, contestants, contests, and expenses, with the usual provision for amendments.

It was suggested that the eastern chapters, the southern chapters, and groups of chapters in other parts of the country follow the example set by the Western Debating Conference and organize similar leagues. Commenting on this activity, Alexander Wall said:

If the chapters in the eastern part of the country would form a similar debating conference, it would be possible for us to have at each of the conventions a debate between two teams, both of which had won their right to debate by winning their own particular series of preliminary debates. This ought to give a considerable stimulus to debating in general, as the individual members would feel that there was a possibility of their gaining considerable prominence through their efforts.

Thus ended the transformative period of Institute development. As the Providence convention drew near, the minds of chapter leaders were no longer focused on frenzied finance and politics but on such significant educational projects as the organization of debating on a systematized national basis and the preparation of the Institute's own text material. Yes, the American Institute of Banking had come of age.

XIV

The Dawn of a New Era

THE sixth national convention of chapters, held at Providence, Rhode Island, July 23, 24, and 25, 1908, marked the end of the old order and the beginning of a new era in Institute development. Roy L. Stone of Milwaukee, vice president of the Associated Chapters, presided in the absence of President A. Waller Morton of Baltimore, who was unable to attend the convention because of illness.

On behalf of Detroit Chapter, Julian G. Kirsten presented to the presiding officer a gavel made from a piece of wood that had been a part of old Fort Lernoult. The gavel was mounted with Michigan copper.

To Jason A. Neilson of New York fell the distinction of proposing the adoption of the new constitution, which contained so much of promise for the Institute. Inasmuch as the constitution had appeared in several issues of the Bulletin and was printed in full in the official convention program, it was adopted unanimously without being read. As a matter of fact, the statement of the motion by the presiding officer was almost drowned out by cries of "Question" from the delegates. (The constitution and by-laws are contained in Appendix VI.)

Immediately after the adoption of the new constitution, Alfred M. Barrett of New York presented the following resolutions, which were referred to the committee on resolutions and adopted by the convention at the closing session, along with other resolutions.

WHEREAS, the members of the reorganized American Institute of Banking are desirous that their first official action under their new con-

stitution shall be some proper expression of their appreciation of the honors and responsibilities of self-government, therefore be it

RESOLVED, That we, the members of the American Institute of Banking, in convention assembled, hereby acknowledge with gratitude and esteem the wise and self-sacrificing work of the old Board of Trustees and the fostering care of the American Bankers Association and respectfully request their continued interest in the Institute and its work.

RESOLVED, That we especially acknowledge the services rendered to the Institute by its past executive officers, W. C. Cornwell, James G. Cannon, Robert J. Lowry, J. B. Finley, E. D. Hulbert, John F. Thompson, Gates W. McGarrah, George F. Orde, Joseph Chapman Jr., and Charles B. Mills, who have freely devoted their talents and time to the interests of the association.

Since the Associated Chapters ceased to exist as an organization with the adoption of the new constitution, a motion to have the officers of the Associated Chapters serve as the officers of the convention was in order. Such a motion was made and was adopted unanimously.

Report of Educational Committee

The report of the Institute educational committee was presented at the Friday morning session by Alexander Wall of Milwaukee, chairman of the committee. The other members were James D. Garrett of Baltimore, H. S. Andrews of New York, B. S. Raplee of Cleveland, and Edwin H. Green of Kansas City.

Believing that interest in the Institute would be stimulated if the entire membership were drawn into the work, the committee recommended that the convention adopt President A. Waller Morton's idea of having the Institute compile its own textbook on practical banking, based on an outline that had been evolved as a result of considerable correspondence, investigation, and conferences with prominent economists.

The committee suggested several other ways in which the Institute might stimulate and develop the abilities of its mem-

bers, stressing particularly debate and parliamentary practice. The report referred to the Western Debating Conference formed by Chicago, Milwaukee, Minneapolis, and Detroit chapters and urged that "other sections of the Institute form similar conferences so that the winners of the different sections may debate with each other and thereby bring together the thought of different localities on banking subjects." As a part of its report the committee presented the constitution of the Western Debating Conference.

The report of the educational committee was adopted, with the understanding that the new educational committee, when appointed, should proceed at once to carry out the plans outlined.

E. S. Eggers of Pittsburgh Chapter, chairman of the committee on credentials, submitted a report showing the chapters in attendance entitled to voting representation as follows: Baltimore 26, Buffalo 4, Chattanooga 4, Chicago 38, Cleveland 9, Cincinnati 7, Correspondence 41, Davenport 4, Des Moines 4, Detroit 16, Hartford 7, Indianapolis 4, Los Angeles 11, Milwaukee 13, Minneapolis 9, New Orleans 8, New York 27, Oakland 7, Philadelphia 16, Pittsburgh 32, Providence 11, Richmond 7, Rochester 4, San Francisco 14, Scranton 4, Seattle 10, Springfield 5, St. Louis 10, St. Paul 5, Tidewater 3, Valley 2, Washington 14; total number of votes, 376. The report was adopted unanimously.

Convention Debate

The intercity debate between Pittsburgh and Chicago chapters, held Friday afternoon, was reported for the Bulletin by Craig B. Hazlewood of Chicago. The subject was: Resolved, That all banking institutions in New York City be required to keep a larger cash reserve. The affirmative, upheld by Pittsburgh Chapter, was represented by W. G. Gundelfinger, J. E. Rovensky, and George Rankin Jr.; the negative, upheld by Chicago

Chapter, was represented by Charles W. Allison, C. R. Wheeler, and Benjamin B. Bellows.

The judges were the Honorable Frederick H. Jackson, former lieutenant governor of Rhode Island; Horatio A. Hunt, vice president of the Rhode Island Hospital Trust Company; and Louis A. Waterman, attorney at law, Providence. The decision was in favor of Pittsburgh Chapter.

At the close of his report on the debate, Mr. Hazlewood made this statement: "It is to be hoped that the movement for the systematization of intercity debates in tournament form will result in the formation of a debating conference in the east and elsewhere, as it has in the west. This would undoubtedly add even more interest to the annual convention debate."

The Saturday morning session opened with a talk by A. Luria of New Orleans Chapter on How to Track Transits. Addresses were delivered by E. D. Hulbert of Chicago on Our Banking System and by Edmund S. Wolfe of Washington on The Fowler Bill.

Report of Fellows

The chairman stated that the new constitution brought into existence a class to be known as Fellows and that the members of this class who were present at the convention had held their first meeting. He then asked Brandt C. Downey of Indianapolis to report on the action taken. Mr. Downey said:

Following the instructions of the last meeting of the Board of Trustees at Atlantic City in September 1907, the Fellows in attendance at this convention held a meeting on Wednesday of this week. The following were in attendance: Newton D. Alling, New York; Andrew Benton, New York; Alfred M. Barrett, New York; Henry T. Holt, Hartford; Franklin L. Johnson, St. Louis; F. M. Polliard, Pittsburgh; D. C. Wills, Pittsburgh; B. C. Downey, Indianapolis; George E. Allen, New York; John H. Hart, Detroit; F. A. Crandall, Chicago; O. H. Cheney, New York; R. S. Marshall, Portsmouth, Va.; E. L. Stewart-Patterson, Sher-

brooke, Quebec; Carroll Pierce, Alexandria, Va.; Roy L. Stone, Milwaukee; S. L. St. Jean, St. Louis; Frank S. Thomas, Rochester, N. Y. Mr. Cheney of New York was elected chairman and B. C. Downey of Indianapolis, secretary.

The selection of Fellow members of the Executive Council under the new constitution were A. M. Barrett, New York, and B. C. Downey, Indianapolis, three years; D. C. Wills, Pittsburgh, and Ralph C. Wilson, Chicago, two years; J. H. Puelicher, Milwaukee, and G. H. Richards, Minneapolis, one year.

It has been thought wise, inasmuch as the convention has no jurisdiction over the work of the committee [appointed by the trustees], that the members of the convention should know who were selected from the list of names which were presented by the chapters to the committee of which I have the honor to be chairman. You remember you were corresponded with for names to be voted upon as Fellow members, by this committee, acting under a resolution adopted at Atlantic City last fall.

Mr. Downey then read the names of the forty-eight men who had been elected national members as a result of the committee's work, together with the names of the thirty-one old national members, making a total of seventy-nine in the Fellows class at the start.

Article III of the new constitution, as stated in the preceding chapter, set forth the qualifications of Fellows to be elected subsequently and limited the number that could be elected each year. The names of all members of the Fellows class, whether they became members automatically by virtue of their national membership or by subsequent election, appear in Appendix VII.

First Publicity Exhibit

E. S. Eggers, chairman of the new business committee, in presenting his report said: "The new business committee was asked by President Morton to make arrangements for a chapter clearing house exhibit. Several chapters have sent in printed matter and advertising matter which they used during the past year, and those samples are on exhibition in the corridor. Phila-

delphia Chapter has a particularly good display and it is worth every man's time to see it."

This simple display of yearbooks, programs, stationery, press notices, and other publicity matter of various kinds, so that "the man from the west might exchange chapter crops with the man from the east," marked the beginning of the Institute publicity exhibits which in later years became regular and interesting features of the annual conventions.

Resolutions on Making Institute a Section of A.B.A.

George A. Jackson of Chicago offered the following resolutions, which were unanimously adopted "with a popular demonstration of approval."

WHEREAS, the American Institute of Banking desires to cement and make permanent the close relations which now exist between our organization and the American Bankers Association; and

WHEREAS, the above result can, we believe, be best accomplished through our affiliation with the parent organization; now, therefore, be it

RESOLVED, That we, the representatives of the Associated Chapters of the American Institute of Banking, in convention assembled, and with full power to act, do respectfully petition the American Bankers Association to make the American Institute of Banking a section of the American Bankers Association, giving us such representation on their Executive Council as in their judgment seems right and proper, it being understood that the annual conventions of the Institute be held separately from those of the American Bankers Association, in the future as in the past; and be it further

RESOLVED, That a committee of three be appointed by the president of the Associated Chapters, to present these resolutions to the American Bankers Association at their convention in Denver, which convenes on September 27 next.

Two new elements in convention voting, introduced at the Providence convention, were the cause of concern among some of the delegates. One was the influence that could be exerted by the recently organized Correspondence Chapter with its 41 votes,

New Voting Problems

which could be cast as a unit by that chapter's delegation. The other was the influence that could be exercised by the Fellows, on all questions except the election of chapter members of the Executive Council, if a substantial number of them were in attendance and they should agree to cast their individual votes the same way.

In the absence of Fred I. Kent, president of the Correspondence Chapter, Vice President F. A. Crandall called a meeting of the chapter members in attendance and later announced that the votes of the Correspondence Chapter would be equally divided on all questions if the chapter delegates decided to vote at the convention.

After holding a caucus, the Fellows announced their unanimous decision not to exercise their privilege of voting at the Providence convention, and the announcement was received with applause. Commenting on the matter after the convention, C. F. Spearin, chairman of the convention press committee, said: "The action of the Fellows in not availing themselves of their voting privilege in the convention this year, as accorded them under the new constitution, demonstrated very clearly that they have no disposition to dictate. The action was commended on every side."

Seattle was selected as the 1909 convention city.

Annual Election

In the election of officers and of chapter members of the Executive Council, nominating speeches were limited to two minutes and seconding speeches to one minute, by vote of the convention.

The following officers were elected: president, Franklin L. Johnson, St. Louis; vice president, Samuel J. Henry, Washington; secretary, W. E. Bullard, Detroit; treasurer, E. A. Fitzpatrick, Scranton.

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The Bulletin report of the convention proceedings explained that Mr. Bullard's duties as secretary would include the work theretofore done by the recorder of the Associated Chapters and some of the work that had been done by Mr. Allen as secretary of the Institute under the direction of the Board of Trustees. In the reorganization of the Institute, Mr. Allen became educational director, in charge of all details of the educational work and publication of the Bulletin under the general direction of the Executive Council.

There were nine nominations for the Executive Council, with seven members to be elected. By order of the convention, the two nominees receiving the highest number of votes were elected for the three-year term, the two nominees receiving the next highest number of votes, for the two-year term, and the three nominees receiving the next highest number of votes, for the one-year term. The results follow.

Three-year term: Edward A. Havens, Providence, and A. Waller Morton, Baltimore

Two-year term: George A. Jackson, Chicago, and Frank M. Polliard, Pittsburgh

One-year term: W. Irving Dey, New York, Leroy H. Civille, Los Angeles, and Clay Herrick, Cleveland

First Institute Executive Council Meeting

The Executive Council of the American Institute of Banking held its first annual meeting on July 25, 1908, immediately following the close of the Providence convention. President Franklin L. Johnson called the meeting to order and stated that the first business was that of organization. (An analysis of the new constitution reveals that the Institute president, at that time, did not automatically become the presiding officer at council meetings.)

John H. Puelicher of Milwaukee was elected chairman of the

Executive Council, but in his absence D. C. Wills of Pittsburgh was chosen to preside. Brandt C. Downey of Indianapolis was elected vice chairman, and Frank M. Polliard of Pittsburgh was elected secretary. George E. Allen, by resolution duly adopted, was appointed educational director of the Institute.

Second only, perhaps, to the new status of the Institute as a self-governing organization was the elevation of Mr. Allen to the newly created office of educational director. It was a farsighted move toward bringing together the loose ends of the educational program and starting it, at the beginning of the new era, in the direction of an integrated curriculum of banking education. No factor in the Institute's subsequent growth and service to American banking has been more important than the character and ability of the men who have held the position of educational director in the national organization.

E. D. Hulbert, representing the defunct Board of Trustees, was present at this first council meeting for the purpose of formally transferring the property of the Institute to the custody and control of the Executive Council. The formal transfer was effected by Mr. Hulbert in the following declaration:

> By authority vested in me by the Board of Trustees of the American Institute of Banking, I do hereby transfer and release to the Executive Council of said Institute, the custody and control of the property of the Institute, consisting of certain moneys on deposit at the Corn Exchange Bank of New York, the good will and subscription list of the Bulletin of the American Institute of Banking, and office furniture at 5 Nassau Street, subject to inventory.
>
> Whereas, the Bulletin referred to above is the property of the American Bankers Association; and whereas, it is the settled policy of that Association not to permit the insertion of advertising matter in any of its publications, it is hereby made a condition of this transfer that no advertising matter shall be admitted to the Bulletin without the consent of the Institute Committee of the American Bankers Association.

On motion duly seconded and carried, the Executive Council accepted the terms of transfer.

The following communication from Joseph Chapman Jr. to A. Waller Morton, former president of the Associated Chapters, was read by Secretary Polliard.

As chairman of the Institute Committee of the American Bankers Association, I wish you would call the attention of your Board of Trustees when elected to the fact that owing to a change in the method of procedure in the American Bankers Association, all committees or sections of the Association requiring an appropriation will have to present the amount needed to the Finance Committee, which will meet in Denver, the day preceding the convention. The present Institute Committee of the American Bankers Association consists of Mr. Hulbert, Mr. Thompson, and myself.

Sometime before September, if you will arrange to have a budget made up showing what you will require from the Association, any amount up to $10,000, we will arrange the matter for you.

Tributes to the Institute by A.B.A. Leaders

An article by Colonel Fred E. Farnsworth entitled Appreciation appeared in the Journal of the American Bankers Association for August 1908. The tribute paid to the Institute by the man who was general secretary of the Association seems a fitting climax to this story of the Institute's epoch-making Providence convention.

As a member of the Association's Executive Council, I attended the Institute meeting at Detroit in August 1907 and received such a favorable impression of the organization that I thought it essential to attend the sixth annual convention just held at Providence, R. I., in an official capacity. It would be impossible to find a finer body of young men than the delegates who are sent to these annual meetings. Their sessions are conducted with businesslike precision, and the young men are earnest and enthusiastic in their work, showing a training in parliamentary law and usages that is remarkable.

That the Institute is following along the lines laid out for it by the educational committee which recommended the formation of the body at Richmond in 1900 is fully apparent, from its annual meetings as well

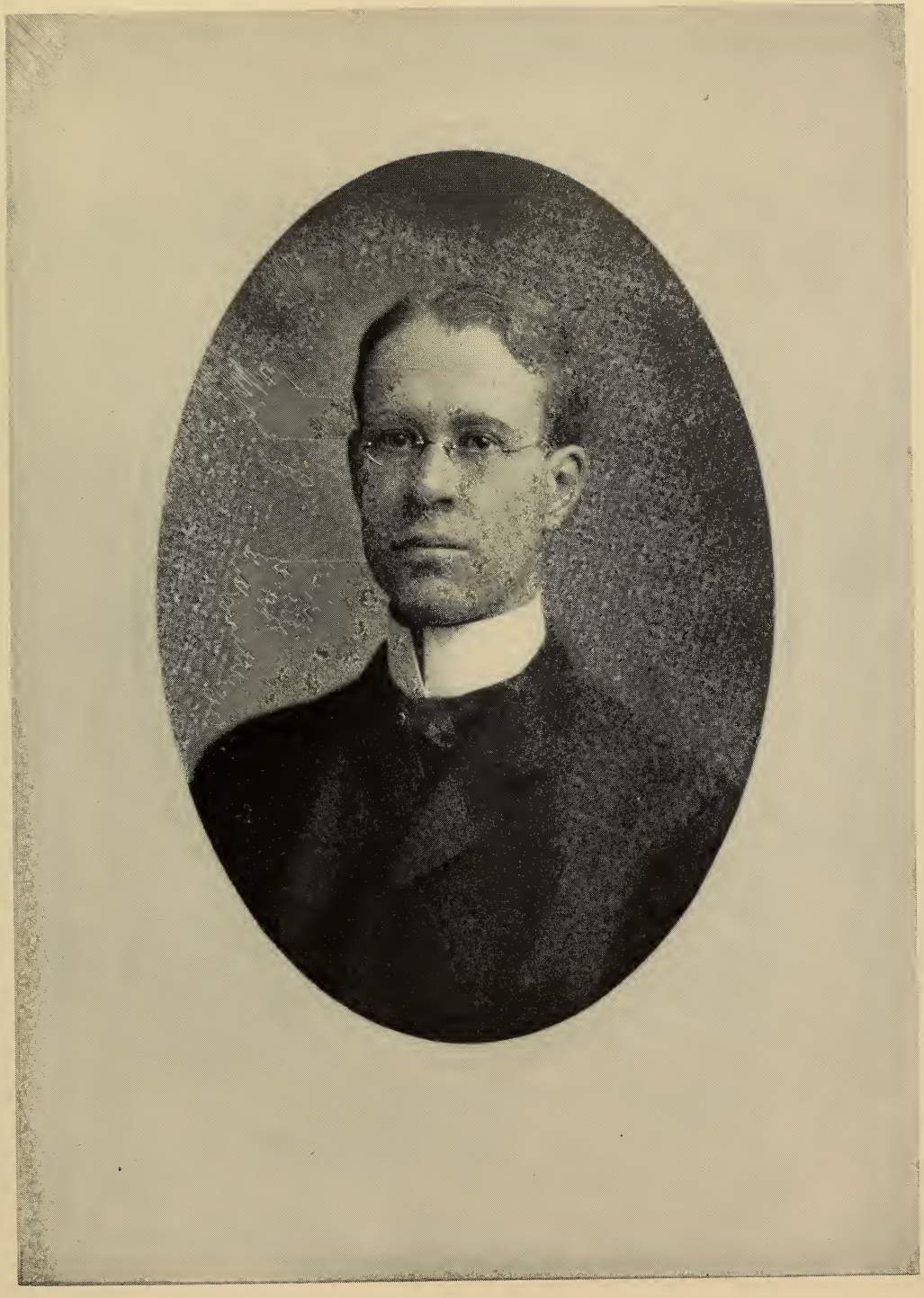
as the various chapter meetings, where discussions and debates are held. The boys are getting a training which cannot but be of incalculable benefit to them in the future when they take the place of bankers of today, which they are bound to do.

Colonel J. D. Powers, president of the American Bankers Association, paid a glowing tribute to the Institute in his presidential address to the A.B.A. convention at Denver on September 30, 1908.

To this Institute and its magnificent work, we may confidently look for the improved, educated and broad-minded banker of the immediate future. Its work has been along the best possible lines of education and it has reached such magnitude in importance and numbers as to request to be admitted as a Section of this Association, and to receive in the future, that which has been accorded to it in the past, the protection, encouragement and help of the Association. It is the outgrowth of your fostering care, and as our oldest and most cherished offspring, is, in my judgment, entitled to full participation and representation in the Association, and should have special representation on the Executive Council. We have given our bounty to the education, encouragement and upbuilding of its membership, and now that it is so abundantly able to stand alone and assert itself for good, I feel that it should be taken into full fellowship. Its members are young men of courage, pluck and ability. They have won their spurs in the battle of endeavor; they possess the requisite qualities of courage, education, industry and ability to create a demand for their services, and they are destined to march forward to that goal of success which will make us proud of their achievements. They will go onward and upward, knowing that there is always room at the top for good and true men. I hope to see them installed as an integral part and special section of this great organization.

Later in the convention proceedings Joseph Chapman Jr., chairman of the Institute Committee, presented his report for the year 1907-1908, closing it with these comments:

Your committee believes that the money devoted to the Institute furthers a work which adds to the usefulness and dignity of the Asso-



Joseph Chapman Jr.

ciation and tends to increase the strength and character of its membership. It is therefore the best possible investment.

The convention of the Institute in Providence petitioned that proper steps be taken at this convention to make the Institute of Banking a section of the American Bankers Association, and we believe that these two great bodies should work together in the very closest harmony. This committee therefore recommends that the Institute be made a section of the American Bankers Association.

We believe that through the instrumentality of the Institute of Banking the day will be hastened when the crude, heterogeneous methods now in practice will be crystallized into improved, uniform methods which will enable us to make of banking a profession. We are training the best of the younger men in the knowledge of economics and practical banking, and with the knowledge thus derived, they will be able to act more unitedly and with a clearer understanding of fundamental principles than are the bankers of today.

Long live the Institute, the greatest educational trade organization in the world, and may it always have and deserve the confidence of the American Bankers Association.

At the convention session on October 1, 1908, F. O. Watts of Nashville, Tennessee, chairman of the committee on amendments to the Association's constitution and by-laws, prefaced the portion of his report referring to the Institute with the following remarks:

I think it is hardly necessary for me to call attention to the great work that has been done by the American Institute of Bank Clerks. I consider it one of the greatest works of this Association. It gives me great pleasure to move the adoption of this report providing for this section, and giving the bank clerks a representation of one member on the Executive Council.

The motion was adopted unanimously. A new subsection added to Article IX, Section 1, of the constitution made the Institute a section of the Association, and an amendment to subsection (c) of Article III, Section 2, gave the Institute representation on the Executive Council. These amendments follow.

Article IX, Section 1, Subsection (d)

Institute Taken into Official Family

(d) An American Institute of Banking Section, whose scope shall embrace all matters relating especially to the work as outlined by the Educational Committee of this Association and embodied in the Constitution and By-Laws of said Institute. Said Section shall meet at such time and place as shall be designated by the Executive Council of said Section.

Article III, Section 2, Subsection (c)

The addition of the phrase "and the chairman of the Executive Council of the American Institute of Banking" at the end of subsection (c) made that Institute officer an ex officio member of the Executive Council.

The customary appropriation for the use of the American Institute of Banking was made at a meeting of the incoming Executive Council of the A.B.A. on October 1, 1908, and the chairman was authorized to appoint the Institute Committee for the following year. Chairman Watts appointed John H. Puelicher chairman and reappointed John F. Thompson and E. D. Hulbert members of the committee.

Two other items of interest bearing on the relationship of the American Institute of Banking to the parent organization have a place in this record.

At a meeting of the Executive Council of the American Bankers Association in May 1908 a committee was appointed to consolidate with the main office of the Association the offices maintained by the several sections and the American Institute of Banking. The committee reported at the first convention session on September 30, 1908 as follows:

> The consolidation of the offices of the several sections and Institute of Banking with the main office of the Association is developing a live business organization for the Association and keeping its members in closer touch with the work of the Institute of Banking.

✓ ✓ ✓ ✓

A circular issued by the American Bankers Association in connection with its membership drive in the summer of 1908 listed twenty reasons why a bank should become a member of the Association. The first reason was this:

1. A membership will permit your employees to become members of the nearest chapter of the American Institute of Banking and become familiar with the constantly changing financial conditions.

For the benefit of Institute members generally, President Franklin L. Johnson reported on the new relationship between the American Institute of Banking and the parent oragnization in the November 1908 Bulletin. After describing the various actions taken at the Denver convention, he said:

Of special significance is the attitude of all the leaders of the A.B.A. toward the Institute. This attitude is best expressed in the words of Colonel Powers, retiring president of the Association. When asked for his views on the subject of making the Institute a section, he replied: "Well, I'll tell you. You know, in Kentucky, we have considerable family pride. When we have a son who has reached the age of manhood, if we find that he has a good business head on him, and is able to think for himself and act for himself, we generally take him into the firm. That's the way I feel about an Institute section."

With the praises of the Association leaders ringing in their ears, the Institute administrators set about the task of proving to the parent organization that it had made no error of judgment in taking the American Institute of Banking "into the firm." And thus it came about that in a single decade the institute idea, born in the city of Minneapolis, had materialized into an adult organization, destined to move steadily forward toward its goal of raising the level of employee efficiency through BANKING EDUCATION.

XV

Productive Education

SO FAR in this story the progress of the local chapters and the proceedings of their annual conventions have been traced in some detail, for the reason that the chapters, during the first seven years, developed interests that were divergent from those of the Institute. But with the adoption of the new constitution at the Providence convention and the transfer of the management of Institute affairs to the elected representatives of the chapters, the interests of the local units were merged with those of the national organization. From this point on, therefore, only the broader phases of Institute progress and only outstanding convention activities will be recorded. For reference purposes, however, a complete list of convention places and dates, a record of the results of annual elections, lists of debate and public speaking contests, and statistics of general interest will be found in the appendixes to this volume.

The most important project claiming the attention of the new administration was the preparation of a textbook on practical banking along the lines recommended by the educational committee and approved by the Providence convention. Alexander Wall was reappointed chairman of this committee, which was to have charge of assembling the material for the book and to act as a clearing house for educational ideas. To serve as members of the committee, President Franklin L. Johnson appointed L. E. Wakefield of Minneapolis, Frank S. Thomas of Rochester, Rudolf S. Hecht of New Orleans, and Jason A. Neilson of New York.

The educational committee went into action immediately,

Textbook Project

and the October 1908 Bulletin carried an announcement of the general plan, which had already been communicated to the local educational committees by letter. The aim of the committee was to have each chapter of the Institute prepare material for at least three chapters of the book, and the local committees were urged to make their selections as soon as possible.

For the benefit of Bulletin readers generally, an outline of the proposed book was presented in the December 1908 issue. These were the subjects to be covered:

1. Loans and discounts, including time loans, demand loans, and overdrafts
2. United States bonds to secure circulation; United States bonds to secure United States deposits; United States bonds on hand; premiums on United States bonds; bonds and investments
3. Banking house, furniture and fixtures; other real estate and mortgages owned
4. Due from national banks, due from state banks, and due from approved reserve agents
5. Checks and other cash items
6. Exchanges for clearing house
7. Cash on hand
8. Five per cent redemption fund
9. Due from Treasurer of the United States
10. Capital stock, surplus fund, and undivided profits
11. Circulation
12. Due to other national banks; due to state banks and bankers; due to trust companies and savings banks; due to approved reserve agents
13. Individual deposits subject to check
14. Savings deposits
15. Time certificates of deposit; demand certificates of deposit
16. Certified checks
17. Cashier's checks outstanding
18. United States deposits
19. Notes and bills discounted

20. Bills payable
21. Reserved for accrued interest; other liabilities
22. Exchange—foreign and domestic
23. Letters of credit
24. Transits
25. Collections
26. Clearing house certificates
27. Trust companies and savings banks
28. State banks and private bankers

Chairman Wall stated that the outline would be published in each issue of the Bulletin for the rest of the school year, together with the names of the chapters that had volunteered to write upon the different subjects, so that the Institute as a whole might know how the work was progressing. But, he complained, "only a little over half of the work has been contracted for and the committee asks that other chapters step up and take their fair share of the work."

Many Institute veterans commented favorably on the project through the pages of the Bulletin, and Joseph Chapman Jr. was especially enthusiastic in his praise of the undertaking. The committee members, too, rallied to Mr. Wall's support with words of encouragement and suggestions from time to time. Rudolf Hecht supplied a set of rules entitled Some Principles for Guidance in Textbook Writing, which a successful textbook writer had given the members of New Orleans Chapter to help them in preparing their part of the book. And he added:

> Aside from the great benefit to be derived individually and collectively, this work must be a matter of pride with all of us. Everything the Institute has attempted in the eight years of its existence has been a phenomenal success, and now that we have let it become known to the banking world that we consider ourselves capable of writing such a textbook, we must "make good" or lose a great deal of our prestige.

Thus, with the members of the educational committee acting as "whipping boys," the chapters gradually fell in line, and by the time the 1909 convention in Seattle rolled around, Chairman Wall was able to report that only one of the twenty-eight text chapters was still unselected. The final count, according to his report, indicated that twenty-one out of the fifty-three Institute chapters then in existence had promised to prepare material for the book. A summary showing the total number of text chapters for which each of the twenty-one Institute chapters had agreed to furnish material appeared as follows:

Baltimore	1	Milwaukee	3	St. Louis	2
Buffalo	3	Minneapolis	1	St. Paul	3
Chattanooga	3	New Orleans	2	San Francisco	2
Chicago	14	Oakland	3	Scranton	2
Detroit	2	Oshkosh	3	Seattle	3
Duluth	1	Pittsburgh	5	Spokane	3
Head of the Lakes	2	Rochester	3	Washington	3

In addition, the committee reported that it had received a paper entitled Department Methods, Credits, Loans and Discounts, and Collections, written by William M. Rosendale of New York City.

The educational committee undoubtedly had discovered what many a would-be writer has learned to his dismay: that it is one thing to know the details of a subject thoroughly and quite another to be able to transfer that knowledge to the typewritten page. Reading between the lines of the committee's report, it is possible to detect a shade of disappointment, both over the failure of some local chapters to deliver as promised and over the quality of the material presented. Chairman Wall concluded his report on the textbook project thus:

> Inasmuch as some chapters that have been promised are not in, and as some chapters have not even been promised, your committee

recommends that the president appoint an editing committee to take up this work, collect the necessary lacking material, and complete the book for the press. Your committee herewith presents to the Institute all material thus far collected for the book.

Nevertheless, the committee had performed a worthwhile service in starting the Institute on the road to productive education. Although, as President Johnson said later, the contributions in their original form represented merely a collection of special articles, the fact that they were written by Institute men for Institute use was significant. And when they had been revised, supplemented, and unified, the Institute had an acceptable standard textbook on practical banking produced through its own efforts.

But the educational committee did not stop with its report on the textbook project. It had many other ideas to advance.

Committee Suggestions

It should be the aim of the Institute, the committee believed, to stimulate bank men to do original research work and thus produce a body of economic thought as well as a comprehensive understanding of banking theory and practice in each chapter city. But before this result could be brought about, the lack of system in the general educational plan would have to be corrected and certain other problems would have to be solved.

First of all, a specified order in which the three standard courses were to be studied should be adopted. "In the past," said the report, "a man has been allowed to begin at either end or in the middle." The committee recommended that political economy, commercial law, and practical banking be taken in that order, which would lead from a study of principles and theory to an accurate understanding of why a bank exists and consequently why certain mechanical details are necessary. Next, continued the report:

> The matter of conducting a practical course on banking and ending with a satisfactory examination has brought to the surface some very complicated and unfortunate conditions. While there are many bank officers who would volunteer their services in the matter of conducting a class, there are not many of them who possess both the willingness and a knowledge of how to teach. Antithetical to this we have a lack of practical banking knowledge among our college lecturers, who do understand the ways of teaching.

This paragraph clearly reveals that the first administration of the reconstituted organization had come to grips with the basic problem in Institute work—that of finding suitable instructors for practical banking subjects. The administration, commented the committee, would have to evolve a system for handling this situation.

The lengthy report concluded by quoting an official communication from New York Chapter containing, in substance, these recommendations: (1) that the three study courses be continued as the paramount object of Institute work, with only such changes as would tend toward a higher standard as experience from time to time might demonstrate to be necessary, (2) that the arrangement and conduct of final examinations for certificates be placed in the hands of a board of regents, appointed by the president of the Institute with the approval of the Executive Council, (3) that the work of the chapters in the study courses be extended and unified, and (4) that the reading courses then being conducted by the Correspondence Chapter be assumed by the Institute and that textbooks be created to meet the requirements of all chapters, especially where other educational facilities were not available.

The educational committee placed itself on record as concurring in general with the sentiments expressed in these recommendations, and added: "Your committee is glad that it can

close its report by stating that the birth of the productive education idea promises that the Institute will soon take its place as a leader in constructive banking and economic work."

Executive Council Action

In an effort to overcome some of the difficulties that had become apparent during the year, the Executive Council, at a meeting on June 21, 1909, adopted the following resolutions:

1. Resolved, That the Institute courses of study in Practical Banking and Political Economy be combined in one course entitled Banking and Finance, to include bank practice and such principles of economics as pertain to banking.

2. Resolved, That the Institute course of study in Commercial Law be enlarged and hereafter conducted under the more comprehensive name of Commercial and Banking Law.

3. Resolved, That the reading courses now conducted by the Correspondence Chapter be assumed by the Institute and textbooks and syllabi be created, when funds are available, for the use of chapter classes in general and more particularly for chapter classes where other educational facilities are not available.

The regulations governing examinations and the issuance of certificates were then restated to incorporate the provisions set forth in the resolutions. The most important change was an increase from thirty hours to "at least fifty hours of class or correspondence study" in each subject to render a student eligible to take the final examination. This change meant an increase of ten class hours, since the two courses required a total of 100 hours in contrast to 90 hours for the three former courses.

From this action of the council, one may observe that history repeated itself in two respects. First, those in charge of the educational work again acceded to the demand of students for a smaller dose of economics (the earlier combination of practical banking and political economy, it will be recalled, had occurred in 1906). Second, with the adoption of these resolutions, the

Correspondence Chapter as an independent unit, like the old Correspondence School of Banking, went out of existence, at least temporarily. Thus for the next few years correspondence instruction was carried on from the general office of the Institute without the use of an intervening agency. This action also meant that the arrangement with the International Correspondence Schools of Scranton was automatically terminated.

At a subsequent meeting of the Executive Council, held on June 24, 1909, the sum of $1,000 was appropriated for the purpose of preparing text literature for the use of chapters, and the matter of publishing the Institute textbook on Banking and Finance was referred to the president.

Plans for 1909-1910

The newly elected president of the Institute, Newton D. Alling, appointed Franklin L. Johnson chairman of the textbook committee, which, in cooperation with the educational director, was to undertake the task of developing a series of lectures for the course in Banking and Finance. The committee used the best papers prepared by Institute members on practical banking and supplemented these contributions with material on finance supplied by competent authorities on the various subjects dealt with.

The work of editing and unifying the text literature proved to be a greater task than was at first anticipated, and the committee members found that they could not do the work as it should be done and have the lectures available in the fall. Therefore, the chapters were asked to concentrate on the course in Commercial and Banking Law during 1909-1910.

The educational director announced that through arrangements made with Professor Cleveland F. Bacon, who was in charge of all legal work in the New York University School of Commerce, Accounts and Finance, a course of twenty lectures

had been prepared for the use of Institute classes in Commercial and Banking Law. The lectures were typewritten and were intended to be read in class by some chapter member appointed for that purpose. Quizzes to be conducted by the class instructor were supplied in connection with each lecture, together with a key to the quizzes for his personal use.

In presenting the report of the textbook committee at the Chattanooga convention in June 1910, Chairman Johnson enumerated some of the difficulties the committee had encountered in writing textbooks on banking and law. "To write a textbook requires two qualifications," he said. "You must first have knowledge of the subject and have it thoroughly. Aside from that, you must have knowledge of teaching and knowledge of how to write, and the sequence in which to introduce your subjects. I believe that, in the Institute, we have the necessary knowledge concerning the subjects of which we wish to write, but we are not teachers. We are learning that as fast as we can."

1910-1911

The August 1910 Bulletin carried the educational director's announcement of plans for 1910-1911. Emphasizing the need for centralization of study during the coming year, he said: "Educationally the Institute accomplished more last year than during the previous nine years of its history. Practical experience has taught the truth—which should always have been self-evident—that systematic education as provided in the Institute study course and standard examination is the one thing tangible in Institute work."

The educational director then reported that the course in Banking and Finance, as revised, was ready for chapter classes. The text literature consisted of a series of twenty-four printed lectures bearing the following titles:

BANKING AND FINANCE

Economics	Clearing Houses
Production	Bank Examinations
Distribution	Collections and Transits
Consumption	Loans and Discounts
Exchange and Money	Stocks and Bonds
Money and Credit	Trust Companies
Credit and Banking	Savings Banking
Banking Functions	Foreign Exchange
Bank Organization	Public Expenditures
Bank Administration	Public Revenues
Bank Accounting	Budget Making
Cash and Cash Reserves	Public Credit

The twenty-four pamphlets contained a total of 350 pages. Each lecture was to consume about two hours' time, leaving two hours for the final examination to be given at the conclusion of the series.

The October 1910 Bulletin announced that the demand for the study course in Banking and Finance was so general that the Institute would take advantage of the opportunity to revise the course in Commercial and Banking Law during the year and publish it in printed instead of typewritten form, so that the two courses would be uniform in general character. Therefore the chapters were asked to defer offering the law course until the following year.

1911-1912

Despite the popularity of the first printed series in Banking and Finance, experience showed the wisdom of revising the material at the end of one year's use by combining related subject matter and reducing the number of pamphlets to eighteen. This second printed series became available in the fall of 1911 at the same time that the first printed lectures in Commercial and Banking Law made their appearance. The subject matter of the two courses was grouped as follows:

BANKING AND FINANCE

Wealth and Its Production
Distribution and Consumption
Exchange and Money
Money and Credit
Credit and Banking
Bank Evolution
Bank Organization
Bank Administration
*Bank Accounting
*Loans and Discounts
Cash and Reserves
Collections and Transits
Stocks and Bonds
Bank Examinations
*Clearing Houses
*Savings Banks
*Trust Companies
*Public Finance

The subjects preceded by asterisks required two evenings of two hours each, the other subjects called for one evening of two hours, and the final examination brought the total hours to the required fifty. The pamphlets contained substantially the same number of pages as the first series.

COMMERCIAL AND BANKING LAW

Contracts and Their Requisites 2 evenings
Validity and Interpretation of Contracts 2 evenings
Assignment and Termination of Contracts 2 evenings
Agency and Trusteeship 2 evenings
Sales and Bailments 2 evenings
Partnerships and Corporations 2 evenings
Negotiable Instruments and Their Execution 4 evenings
Transfer of Negotiable Instruments 4 evenings
Bills of Lading and Warehouse Receipts 2 evenings
Insolvency and the Bankruptcy Law 2 evenings
Final Examination 1 evening

The ten pamphlets in the first printed law series contained a total of about 300 pages.

1912-1913 The Executive Council, in its report at the Salt Lake City convention in 1912, stated that while there was no apparent need of radical changes in the study courses, some revision and reclassification had been found expedient "to adapt the lesson pamphlets and collateral examinations alike to chapter and

correspondence instruction." Using the short names of the courses, Banking and Law, the report listed only eight lesson pamphlets in each series for 1912-1913, each pamphlet requiring three evenings of two hours.

PART I—BANKING

Wealth and Money	Stocks and Bonds
Banks and Banking	Clearing Houses
Bank Accounting	Savings Banks
Loans and Discounts	Trust Companies

PART II—LAW

Laws of Contracts
Agency and Trusteeship
Sales and Bailments
Partnerships and Corporations
Negotiable Instruments and Their Execution
Transfer of Negotiable Instruments
Parties to Negotiable Instruments
Insolvency and the Bankruptcy Law

1913-1914

Further consolidation seemed desirable and the lesson pamphlets were again revised, this time the number in each course being reduced to four. Each pamphlet in the 1913 series required six lessons of two hours.

PART I—BANKING

Wealth and Banking	Loans and Investments
Bank Accounting	Clearing Houses and Trust and Savings Institutions

PART II—LAW

Laws of Contracts	Sales and Bailments
Agency and Associations	Negotiable Instruments

1914-1915

No changes were made in the Commercial and Banking Law pamphlets for 1914-1915, but the first pamphlet of the course in Banking and Finance, entitled Wealth and Banking, was revised to include the Federal Reserve Act and such comments on it as could safely be made until the new law had been tested

by practical experience. The second pamphlet, Bank Accounting, was revised to conform to the Federal Reserve Act as soon as forms of report were prescribed by the government.

After producing its text literature in printed pamphlet form over a period of five years, with annual revisions where necessary, the Institute decided to publish its study course material in bound book form, beginning in the fall of 1915. An account of its subsequent experience will be deferred to a later chapter.

Methods of Education

At the same time that the Institute was improving the quality of its text literature through the process of annual revision, it was standardizing its methods of education along three general lines, according to the manner in which the text material was to be used. These main divisions were the class method, correspondence instruction, and combination instruction. In the class method of instruction, a distinction was made between classes in city chapters and classes in small chapters and in banks.

Class Method

The instruction in city chapters, termed professional instruction, was largely in the hands of professional educators. In cities containing suitable schools of banking and finance and schools of law, the local chapters were permitted to form alliances with these schools for the conduct of study classes by professional instructors, who might use the serial lessons provided by the Institute to such extent as was "mutually satisfactory." Approved instructors were authorized to conduct final examinations for Institute certificates.

When the printed lesson pamphlets were first made available to chapter classes in the fall of 1910, the Institute sent only one copy of each lecture to the instructor, but on his recommendation copies of any lessons missed because of non-attendance would be sent to individual members of the class. "Experience has proved," explained an October 1910 Bulletin article, "that

if lessons are furnished to everybody, many class members will fail to attend on the theory that they will make up at home for omissions and then never do it. The system of only furnishing extra copies of lessons to provide for specific cases of non-attendance avoids the dangers of both extremes."

The Institute later changed its policy in this respect, and as time went on professional instructors were given less latitude in the matter of using the text literature only to the extent they deemed desirable, the object of this change being to achieve a greater degree of uniformity in instruction. The policy with respect to city chapter classes was stated in the printed lesson pamphlets for 1913 as follows:

> Each class member is supplied with a set of the serial lesson pamphlets and instructors are expected to conduct examinations prescribed in connection with each pamphlet. The examination questions at the end of each pamphlet may be elaborated to suit local circumstances, and thus form the basis of general discussion among class members under the guidance of the class instructor. It may be assumed that the collective knowledge of the class is sufficient to cover any knotty point that may arise, but should any question remain in doubt, it is suggested that the matter be assigned to one or two members of the class to be investigated and reported back to the class at the next meeting.

In cities without suitable school facilities amateur instructors were appointed to conduct chapter classwork under the supervision of the educational director of the Institute, but final examinations for certificates were conducted from the Institute's general office. The amateur instructor was expected to read and explain the serial lessons and to conduct the exercises in connection with them. For his personal use he was supplied with a key to the questions in the exercises. On the completion of all the serial lessons, the Institute conducted the final exam-

inations for credit toward certificates. This method, termed cooperative study, was adapted not only to classes in small chapters but also to classes organized in individual banks or other financial institutions. In explaining the details of the method, a September 1910 Bulletin article concluded with this statement:

> Much will depend upon the zeal and foresight of the class instructor in making these lectures and examinations a success. The fact must be borne in mind that the lectures are to remain the absolute property of the Institute and are not to be copied or mutilated while in the possession of any instructor or student.

The policy of furnishing the lesson pamphlets on a loan basis was subsequently changed, and the price of the text literature was included in the tuition fee charged each student.

The 1913 law pamphlets listed the teacher's chief duties as these:

> 1. To advise students in deciding upon the kind and quantity of work required in individual cases. What to do is no more important than what not to do.
>
> 2. To apportion the work of students with due regard to sequence and time. An intellectual table d'hote is best for the appetite and digestion.
>
> 3. To direct the work of students in progress. The road to wisdom has its pitfalls and forked roads without guideposts.
>
> 4. To test by progressive and final examinations the thoroughness and accuracy of students' acquirements.

Correspondence Instruction

In correspondence instruction each student was supplied with the serial lessons and collateral exercises. The exercises in connection with each lesson were to be submitted to the general office of the Institute as soon as they were finished. The work was there corrected and returned to the student, together with such criticisms and suggestions as the examiner considered helpful in each case. Special letters were written in response to students' questions, to help them overcome individual difficulties.

"The correspondence method of study," it was admitted, "lacks the inspiration of social contact, but the personal relationship established between students and examiners stimulates ambition, and the fact that all lessons must be written insures thoroughness and thought." The tuition fee for each course of study, including the collateral exercises and the final examination, was $20 less fifty per cent to employees of financial institutions that were members of the American Bankers Association.

Combination Instruction

A combination of class and correspondence instruction was provided for students who were able and willing to work together in groups under the leadership of one of the class members. Each student was required to write the answers to the collateral exercises in connection with the first lesson and submit them to the class leader. The leader then sent all the answers to the general office of the Institute. One set of exercises was corrected and returned to the leader, together with all the uncorrected sets. The leader called the members of the class together and distributed the exercises. Each member then compared his set of answers with the set corrected by the examiner. Subsequent lessons were studied and corrected in the same manner until the exercises in all the pamphlets in the series had been completed. The final examination was then sent to *each class member individually,* with governing regulations. The tuition fee under the combination class and correspondence method of instruction was $15 for the first student and $7.50 for each additional student less one-third to students employed by institutions that were members of the American Bankers Association.

Preliminary examinations were discontinued after 1910 except in one specific instance. Any "suitable" person who had been in the banking business ten or more years and did not wish to attend classes might become eligible to take the final examina-

Certificate Requirements

tion in Banking and Finance on passing a special preliminary examination in that subject. With this exception, students were required to complete at least fifty hours of class or correspondence instruction in each of the two standard courses to be eligible to take the final examinations for the Institute certificate.

If one were to ask Was the program of productive education a success? the answer would indubitably be yes. The Institute was still in the experimental stage educationally, but the indefiniteness that had characterized the program prior to the Providence convention had been replaced by definiteness. The Institute knew where it was going and was headed toward its objective. Miscellaneous lectures and social activities, while not eliminated, were being subordinated to programs of systematic study. William M. Rosendale, as chairman of the Executive Council, concisely summed up the situation in his report to the American Bankers Association in 1914 when he said:

Institute Success

> Institute success depends upon recognition of the Institute study course as the foundation of all Institute work. Such failures as have been experienced in the past have been largely if not solely due to attempts to construct fantastic educational edifices upon the sands of aimlessness instead of upon the rock of systematic instruction. The Institute study course contains the fundamental knowledge of banking and banking law that every banker must possess to achieve or merit any sort of success in the banking business. Such knowledge may be obtained from other sources than the Institute. Thousands of bankers have acquired it through experience. The Institute merely provides the easiest and most direct way. Nothing, however, can be successfully substituted for such knowledge, and the Institute men who want to substitute something else for the Institute study course are animated often if not always not so much by a desire to do other work as by a desire—perhaps subconscious—to do little or no work. Institute graduation is the only tangible result of Institute work—the only work that can be analyzed and inventoried—and the number and character of Institute graduates are the crucial test of Institute achievements.

XVI

Strengthening the Foundations

WHILE the Institute was driving toward a more effective system of education, in governmental matters it was encountering obstacles. For about a year after control of the organization had been turned over to the chapters, things seemed to run along smoothly, but toward the end of 1909 those who had the best interests of the Institute at heart began to realize the truth of the saying that "a chain is no stronger than its weakest link." And the weak link in the Institute chain was the Fellows class, because it represented a compromise of principle.

In the life of any democratic society, whether that of a membership association or of a nation, there can be no compromise of the democratic principle. As long as limitations are placed on the electorate, as long as there is not equality in the exercise of the popular franchise, friction between factions is bound to arise, to the detriment of the "body politic." Thus the most serious problem that had to be faced and solved before the Institute could fulfil its destiny as an educational organization was mainly a political problem involving the Fellows class.

The root of the trouble lay not so much in the Fellows class itself as in the difference of opinion among the chapters with respect to membership qualifications. As was pointed out in Chapter XIII, two divergent views on the matter of active membership had developed. One group of chapters rigidly adhered to the principle (the so-called western rule) that the Institute was an organization of bank clerks for bank clerks; consequently, as soon as a member became a bank officer, he ceased to

Background of the Problem

qualify for active membership in the chapter and was relegated to the status of an associate member. The other group of chapters placed no restriction on active membership and permitted bank officers to enter into all chapter activities, including the holding of offices.

The constitution adopted at the Providence convention, it will be recalled, represented a compromise between the two groups. Those who adhered to the western rule won recognition of their position through the constitutional provisions which restricted the elected representatives of the chapters to members *not bank officers*. The four Institute officers—president, vice president, secretary, treasurer—and seven members of the Executive Council came in that category.

Although the Institute was still a "bank clerks' organization," many of the older men who had performed outstanding services both to the chapters and to the national organization during the early years were imbued so thoroughly with the Institute and its work that they were unwilling to be entirely separated from the organization after they became bank officers. With the thought of according recognition not only to these men but also to bankers who had supported the Institute from the beginning and had wisely directed the management of its affairs during the critical period of its development, the idea of creating a special class within the organization, to be known as Fellows, was suggested in an unsigned Bulletin editorial in February 1907. History credits the suggestion to George E. Allen, and years later, when the political pot had reached the boiling point, he admitted that he was "convicted." His idea, advanced with the best of intentions to satisfy opposing groups, had proved to be a boomerang.

But in 1908 the Fellows class seemed a happy solution of a

Fellows Class

difficult problem, and it was hailed by Institute veterans and active chapter members alike. Thus the new constitution made provision for two classes of members, Fellows and chapters. To understand the nature of the problem that subsequently arose, we need to keep in mind the provisions of the 1908 constitution regarding the Fellows class.

Fellows were to consist of those who were national members at the time the constitution was adopted and such other members as the Executive Council thereafter elected, subject to the following qualifications: (1) bank officers who were interested in the work and aims of the Institute, (2) chapter members who had been president or vice president of the Institute or of chapter conventions, (3) chapter members who had been president of their chapters, and (4) chapter members who had passed the prescribed examinations of the Institute. Not more than fifty Fellows could be elected the first year and not more than twenty-five each succeeding year.

Under the constitution the Fellows present at an annual convention (never more than approximately forty) were entitled to elect six members of the Executive Council, while chapter representatives (delegates numbering 600 to 800) elected seven council members. The chapters also elected the president and the vice president, who were ex officio members of the council, as well as the secretary and the treasurer, who had no part in the government of the Institute.

Each Fellow in attendance was entitled to cast one vote on every question considered by the convention except the election of chapter members of the Executive Council, but chapters were restricted to one vote "for each twenty-five members or fraction thereof" and one vote "at large."

Despite the obvious sincerity of the Fellows, the influence

exerted by them, political or otherwise, caused dissatisfaction among the younger Institute members, and much of this feeling apparently was shared by some of the Fellows themselves. The assertion was made that the power of the Fellows seemed out of all just proportion and was characterized as undemocratic.

It would be pointless, at this late date, to present all the arguments of the "educationists" and the "politicians," the suggestions and the countersuggestions of possible solutions of the problem, the somewhat facetious comments of those who took a lighter view of the situation, and the well-meaning efforts of the more diplomatic members to "pour oil on the troubled waters." The problem was brought out into the open through the pages of the Bulletin, and the records are available to any one who is interested in pursuing the subject from beginning to end. But since the Fellows class did wield considerable influence at one time in the Institute's history, it is fitting that the highlights of the controversy should be set down in this record; thus the reader may know that, serious though the problem was, the Institute met it without any aid or suggestion from the parent organization and solved it in the only way possible.

Highlights of the Fellows Controversy

Strangely enough, it was one of the Institute's most ardent and loyal supporters who, unwittingly perhaps, threw down the gauntlet. The November 1908 issue of the Bulletin carried an editorial by Ralph C. Wilson of Chicago, part of which read:

> The Fellows—a selected class of graduated veterans in chapter work, the cream of the Institute, the young men of ideas, of action, of red blood. They are bound to do things that will reflect credit upon the chapters where their activity centered. Do not make the mistake of looking upon the Fellows class as a genteel graveyard.

Apparently this editorial went unchallenged for about a year. Then there began a series of editorial bouts between Alexander

Wall of Milwaukee and Edward A. Havens of Providence which ran from the September 1909 issue through the March 1910 number of the Bulletin, with numerous contributions from supporters of one side or the other.

The crux of Mr. Wall's argument was that, while it was not to be doubted that the Fellows had as their chief aim the success of the Institute and that their services were rendered with unselfishness, yet the fact remained that election to the Fellows class thus far had been entirely of a "political" nature and not "as a sure reward for educational effort." He did not object to the election of Fellows by the Executive Council, but he did object to having Institute graduates (that is, holders of the Institute certificate, as distinguished from "graduated veterans in chapter work") relegated to fourth place among those from whom candidates for election to the Fellows class were drawn. He proposed amending Article III of the constitution so that chapter members who completed the prescribed study courses and received the Institute certificate would automatically become Fellows, thus placing them in the same position as former national members of the Institute. While this would not, he admitted, insure their election to the Executive Council, it would enable those who were getting an education in banking to gain recognition of their efforts by being elevated to a distinctive class within the Institute and would act as an incentive to chapter members to take the Institute courses of study.

Mr. Havens seized upon Mr. Wall's reference to the "political" nature of election to the Fellows class and based his counter-attack on the thesis that "the use of this word in discussing the amendment proposed by Mr. Wall can suggest political trickery which he proposes to eliminate by taking from the Executive Council certain of its prerogatives."

Harold J. Dreher of Milwaukee clarified Mr. Wall's position somewhat when he contributed this explanation: "Fellows is a term of the English universities used to denote those senior graduate members who, through the attainments of scholarship, are accorded a position of influence in university government. The honor rests solely upon educational attainments." He then pointed out that the term Fellows as used in the Institute did not have the same meaning as the English term from which the idea of creating this special class had been borrowed.

Milton L. Wicks of New York brought out another point: "Apropos of the real merits of the Milwaukee contentions and the Providence retorts, a man who is a graduate of a university does not contend for an honorary degree. It is of greater merit to be eligible to the Institute Alumni than to a Fellowship in the Institute—one being earned, and the other, a mere honor."

Fred A. Crandall of Chicago added: "In the judgment of the writer the government of the Institute should continue to rest with the rank and file of chapter members and not be assumed by either the Fellowship class or the Alumni. There is abundant opportunity for the exercise of any ability and energy that these two classes may possess in the extension of sound banking principles and practices among the general public."

Revised Constitution 1910

Mr. Wall's proposed amendment was submitted to the Executive Council at a meeting on June 7, 1910, preceding the Chattanooga convention. At the same time, a revised constitution was submitted by William M. Rosendale of New York. The main purpose of the revision was to incorporate an article providing for associate members, to consist of institutions that were members of the American Bankers Association. This amendment was made necessary by the fact that the basis on which the Association would make its annual contribution to

the Institute had been changed by agreement of the executive councils of the two bodies. Thereafter, the American Bankers Association would pay to the Institute annual dues of seventy-five cents for each associate member, in monthly instalments.

Mr. Rosendale's proposed revision represented a complete rewriting of the 1908 constitution to include some changes in arrangement and wording that experience had shown to be desirable, and it omitted several minor provisions, which could be enacted in the form of by-laws if that seemed necessary, thus limiting the constitution to essentials of government. It did not change the status of the Fellows class.

The council voted not to approve the proposed amendment submitted by Mr. Wall, but the proposed constitutional revision submitted by Mr. Rosendale was approved with minor changes.

The revised constitution was presented to the convention on June 9, with the Executive Council's recommendation for adoption. It was then considered, article by article, and with a few amendments was adopted. In the course of debate on the constitution, a motion (from the floor) that bank officers below the rank of cashier might be elected to the Executive Council from the chapter class was voted down. The constitution adopted at the Chattanooga convention appears in Appendix VI.

Proposed Revision 1911

The political activity concerning the Fellows class continued during the period between the Chattanooga and the Rochester conventions, and a number of amendments to the constitution were suggested. A revised form of constitution embodying these suggestions was prepared by Ralph H. MacMichael, president of the Institute, and published in the August 1911 Bulletin, one month before the Rochester convention. In the same issue Fred W. Ellsworth proposed an amendment to the effect that section 4, providing for the Fellows class, be stricken out.

At a meeting of the Executive Council on September 6, 1911, the proposed amendments submitted by Mr. MacMichael were discussed at length, and the following resolution was adopted:

> Resolved, That the proposed constitutional amendments be referred to the convention with the recommendation that the Executive Council be given until the next convention to consider the matter further.

A special convention session on Thursday evening, September 7, was devoted to consideration of the proposed constitutional amendments. In the general interest Mr. Ellsworth withdrew his proposal to abolish the Fellows class. There was unlimited discussion on the political influence of Fellows and of bank officers, and a resolution was finally adopted referring the entire subject of constitutional amendments to the Executive Council, with the suggestion that the council confer with individual chapters and report at the next annual convention.

The following excerpt from the report of the Executive Council to the Rochester convention is of special interest in connection with the Fellows controversy:

> Many members of the Fellowship class have become Institute graduates by writing suitable essays on financial subjects and undergoing regular examinations in Commercial and Banking Law. In such connection no banker, however prominent, has been shown any favoritism, as the personal identity of candidates has not been disclosed to official law examiners. Among Institute Fellows who have thus set laudable examples to American bankers, old and young, your Executive Council cannot discriminate, but there is particular satisfaction in the fact that the list includes E. D. Hulbert, who was president of the Institute during the transformation of government.

At a meeting of the Executive Council on September 9, it was "voted to be the sense of the Executive Council that in the election of Fellows hereafter special consideration should be given to Institute graduates."

At this meeting, also, the chairman of the council was authorized to appoint a committee of five on constitutional revision.

Carroll Pierce, chairman of the Executive Council, appointed the following committee on constitutional revision: William M. Rosendale of New York, William S. Evans of Philadelphia, Fred A. Crandall of Chicago, Raymond B. Cox and Herbert H. Owens of Baltimore. That committee met during the convention of the American Bankers Association at New Orleans in November 1911. By agreement of its members, Mr. Pierce was added to the committee and made its chairman.

During the next six months the members of the committee proceeded to follow out the suggestion of the Rochester convention to confer with individual chapters, and many proposed constitutional amendments were received. An open meeting of the committee, at which a number of Institute veterans appeared, was held in Buffalo, New York, June 14, 1912, at the time of the New York State Bankers Association convention. A form of revised constitution was agreed upon and was published in the July and August issues of the Bulletin.

Revised Constitution 1912

The committee made its report to the Executive Council at a meeting in Salt Lake City on August 20, 1912. After considerable discussion, an amended constitution was approved and recommended to the convention for adoption. Apparently there was no debate on the convention floor, for the Bulletin account of the proceedings merely stated that on the basis of the report of the Executive Council, with some minor changes, a form of amended constitution was adopted, subject to the approval of the American Bankers Association. The 1912 revision of the constitution appears in Appendix VI.

The revised constitution did not eliminate the Fellows class,

but it changed the provisions relating to that group in important respects. Article IV provided that thereafter only Institute graduates, not exceeding fifty annually, could be elected to the Fellows class by the Executive Council, and Article VIII provided that the six members of the Executive Council from the Fellows class were to be elected by the convention rather than by the Fellows. The number of council members to be elected from the chapter group was reduced from seven to six, thus giving the Fellows and the chapters equal representation.

The phrase "not bank officers" was omitted in Articles VII and VIII relating to the election of officers and members of the council from the chapter group. This change meant that the constitutional distinction between bank officers and bank clerks had at last been abolished and that these Institute offices were open to chapter members regardless of their bank positions.

In the revision of Article VIII, the secretary and the treasurer of the Institute, in addition to the president and the vice president, were made ex officio members of the Executive Council.

Article II provided for the establishment of a system of postgraduate study for Institute graduates and others who desired educational work supplementary to the standard courses of study.

Article III gave recognition to the revival of the Correspondence Chapter, Article X defined the duties of the educational director, and changes of a minor nature were made in the wording of other articles.

From the close of the Salt Lake convention in 1912 until August 1914 the Fellows controversy seemed to be in a state of quiescence, at least as far as any Bulletin report of activity was concerned. The only problem of a governmental nature that arose related to the number of council members to be elected

Delegates Attending the Richmond Convention in 1913

from the two classes, chapters and Fellows, at the Richmond convention in 1913. Under the new constitution there were to be six elected members of the Executive Council from each class, two to be elected annually. But there already were nine elected members, five from the chapter group and four from the Fellows class, whose terms would not expire until 1914 and 1915.

An opinion furnished by Thomas B. Paton, general counsel of the American Bankers Association, at the request of the Executive Council stated that since the new constitution provided for equal representation, only three members of the council should be elected in 1913, two from the Fellows class and one from chapter members. At a meeting on September 16, 1913, the Executive Council voted to include Mr. Paton's opinion in its report to the convention. The council's report was approved by the convention on September 17.

1914 Amendments

An amendment to the constitution providing for a board of regents, proposed by James D. Garrett of Baltimore Chapter, and amendments of Articles VII, VIII, IX, and X, proposed by William M. Rosendale of New York, were published in the August 1914 Bulletin.

The August issue also carried an open letter from President Harold J. Dreher to Institute members entitled What About the Fellows? It reviewed the history of the Fellows class, pointed out its virtues and its faults, and stated that all reasons previously urged for the continued existence of the class were no longer tenable. The few paragraphs from President Dreher's letter that find a place in this record give the reasons for his contention that a conscientious effort should be made "to quiet forever" a question which had absorbed much attention and should, for the greater advancement of the Institute, be permanently settled. The excerpt from the August 1914 Bulletin follows.

The Institute is no longer a bank clerks' organization. All distinction, so far as the Institute is concerned, between bank officer and bank man has been abolished. The offices of the Institute are free to all who, properly qualified, aspire to them, irrespective of any position in banking which any aspirant may hold. Fitness alone shall be the only requisite demanded of those who would hold office, fitness and a compelling desire to advance the Institute to the highest attainable plane in the world of commerce and in American development.

The Institute has now reached that period in its development when it is highly essential that the entire time of Institute conventions be concerned only with matters relating to Institute advancement and a discussion of more effective methods for increasing and extending Institute influence.

A larger conception of service is challenging the Institute. Never before has so much been demanded of the banking profession. Big problems demand the best intelligence of big men for their solution. Realizing this, any failure to settle permanently matters exclusively concerning the internal affairs of the Institute, and leaving members free for larger things, is doing that which is inimical to its welfare and the advancement of its members.

This lengthy letter was a masterful analysis of the situation and, coming just prior to the Dallas convention, it marked the rise of the curtain on the last act of the Fellows episode.

When the delegates assembled on September 22, 1914, there were conferences, caucuses, powwows, and perhaps seances and silent prayers on this burning question.

A protracted conference of the Fellows was held on Wednesday evening, September 23, at the Adolphus Hotel, with Fred W. Ellsworth presiding. Among other subjects discussed was President Dreher's open letter published in the Bulletin. There is no profit here in reviewing the arguments pro and con; so let it be sufficient to state that before the meeting adjourned, the following resolution, offered by Fred A. Crandall of Chicago, was unanimously adopted.

Fellows Question Settled

RESOLVED, That this conference hereby recommends to the Executive Council of the Institute (1) that the Fellowship class be abolished, and (2) that no new class or division of Institute members be organized now, or in the future; provided, however, that this resolution shall not be construed to prohibit the conferring of any degree following the satisfactory completion of any prescribed course of study.

That same evening the Executive Council held an adjourned meeting at which it was voted to recommend to the convention that Article IV relating to the Fellowship class be repealed. The council also approved the proposed amendments of Articles VII, VIII, IX, and X with minor changes. The amendment providing for a board of regents (new Article III) had already been approved at a council meeting on September 21. All these amendments appear in Appendix VI.

The Executive Council presented its report on the proposed amendments at the closing session on September 24, with the recommendation that they be adopted. For the information of the convention, the council also reported the action taken at the Fellows' conference. And without discussion or debate, the convention quickly adopted the amended constitution, which eliminated the Fellows class for all time.

It must be said in fairness to all that, in reaching this final decision, every one placed the good of the Institute first. There probably were some personal ambitions that were stifled, some yearnings for glory that were squelched. But after the smoke of battle had cleared away, the scars that remained, and there were some, healed completely, and the body politic seemed the healthier for having passed through this fiery experience.

Apparently every one was satisfied with the constitution as amended at the Dallas convention, and no proposals for further changes in the governing rules were forthcoming during the next year. In 1915 Robert H. Bean, in his report to the San

Francisco convention as chairman of the Executive Council, made the following significant comments on the administrative changes.

> The American Institute of Banking meets in convention today for the first time with but one class of members—a class of men democratic in ideas, possessed of the highest purposes and loyal to the Institute in whatever it undertakes.
>
> For some years it has been a recognized fact that the body politic must purge itself of all that would tend to narrow or limit in scope and importance the efforts of our administrative officers. Plans which had for their purpose the broadening and uplifting of our educational work had long been considered. The elimination of all unnecessary administrative machinery was a recognition of the better thought of the best brains of the Institute.
>
> The results of this almost revolutionary development will gratify the most critical and should bring to the support of the organization in all its work both the veteran and his less experienced co-worker.

1916 Amendments

Before another year had passed, however, it became evident to many Institute leaders that the foundations were in need of further strengthening. Proposed amendments of sections 8, 9, 10, and 11, presented by Rudolf S. Hecht, a member of the Executive Council, were published in the August 1916 Bulletin. They were submitted to the Executive Council on September 19, 1916, and the council voted to report them to the convention with recommendation for adoption.

A vote was taken on the proposed amendments at the last session of the Cincinnati convention, September 22. The amendment of section 8, if adopted, would reduce the Executive Council from fifteen members to nine: the ex-president, the president, and the vice president ex officio and six members of the council, two to be elected annually. This section failed to receive the necessary two-thirds vote and was therefore defeated. The proposed amendments of sections 9, 10, and 11 were adopted with-

out opposition on the part of the delegates. These revised sections appear in Appendix VI.

Section 9 as amended abolished the offices of chairman and vice chairman and automatically made the president the presiding officer of the council. Inasmuch as the constitution of the American Bankers Association had been amended to designate the Institute president a member of the Executive Council of the Association, the election of a chairman and a vice chairman was unnecessary administrative machinery. Furthermore, the Association had amended its constitution to make the Institute representative a delegate and consequently to qualify him for membership on its Executive Council even if he were not a bank officer.

Section 10 as revised made the educational director also the secretary, as he then was in fact, thus abolishing the distinction between the two offices. It also placed the educational director under the administration of the Board of Regents as well as of the Executive Council of the Institute.

The only important change in the language of section 11 was to substitute the term by-laws for constitution, thus making the governing rules of the Institute subordinate to the constitution of the Association, as were those of the other sections.

Results of Constitutional Revisions

Before passing on to matters far removed from the political issues of the period, let us briefly survey the governmental situation as it existed at the close of the Cincinnati convention. To what extent had the foundations been strengthened through a succession of two complete and two partial revisions of the constitution since the Providence convention?

First, the objects of the American Institute of Banking had been broadened and stated in specific terms.

Second, a system of post-graduate study had been established,

on the theory that the acquirement of the Institute certificate was only the beginning, and not the end, of a banker's education.

Third, a board of regents had been established, in the belief that the Institute had reached the point where the advice and guidance of the most competent educators and broad-minded bankers were needed to perfect its organization.

Fourth, the Fellows class had been abolished. No longer was there a compromise of the democratic principle.

Fifth, the establishment of associate membership for institutions that were members of the American Bankers Association had strengthened the relationship between the Institute and the parent organization.

Sixth, the distinction between bank officers and other bank men in national elections had been abolished. This change had meant the leveling of membership barriers in local chapters and the amendment of chapter articles of association, where necessary, to bring about that result.

Seventh, the offices of chairman and vice chairman of the Executive Council had been abolished. The fact should be noted here that the membership of the council as established by the amendments of 1914 and 1916 has remained unaltered: president, vice president, and retiring president, ex officio, and twelve members of the council, four to be elected annually for three years.

Eighth, the amendment of section 10 in 1914 had made it possible for the Executive Council to appoint a financial institution treasurer of the American Institute of Banking.

Without question the foundations in 1916 were sturdy enough to support a weightier and more effective administration.

XVII

Episodes in the Life of the Bulletin

AN EDITORIAL in the May 1909 Bulletin, by George E. Allen, stated that a suggestion had been made that the Bulletin of the Institute and the Journal of the American Bankers Association might be expediently combined into one periodical and thus secure a joint circulation of over 20,000 copies among bank officers and employees. Such a plan, the editor said, would enable employing bankers to be fully informed regarding the affairs of the Institute and would enable Institute members to be fully informed regarding the affairs of the Association.

There seems to have been no reaction to this suggestion, one way or the other, through the columns of the Bulletin at the time, but something did develop about a year later.

In an address at a New York Chapter banquet early in March 1910, Lewis E. Pierson, then president of the American Bankers Association, referred to the suggestion that the two publications be combined and stated that if the Institute cared to take up the subject, with the idea that Institute matter in the combined publication would be edited by Institute men and Association matter would be edited by the general secretary of the Association, the officers of the American Bankers Association would be glad to enter into the spirit of such a proposition.

On the strength of Mr. Pierson's statement the Institute Executive Council, by a mail vote, adopted resolutions approving the consolidation of the Bulletin and the Journal. The only disadvantage of such a step to the Institute appeared to be the loss of Bulletin subscriptions among country bankers, who

would receive the consolidated publication in connection with their membership in the American Bankers Association. As a means of overcoming this disadvantage and of bringing country banks and their employees into closer relationship with the American Institute of Banking, the Executive Council of the Institute proposed that all institutions that were members of the American Bankers Association be made associate members of the Institute upon the payment of annual dues of seventy-five cents.

Consolidation of Journal and Bulletin

Ralph C. Wilson, chairman of the Institute council, prepared a report on the action taken regarding the consolidation of the Journal and the Bulletin and on the proposal that members of the American Bankers Association be made associate members of the Institute. This report, which also contained suggested resolutions on the subject, was presented to the Executive Council of the American Bankers Association at its spring meeting in Atlantic City in May 1910. The Association council approved the report of the Institute council and adopted the suggested resolutions, which read as follows:

RESOLVED, That the consolidation of the Journal of the American Bankers Association and the Bulletin of the American Institute of Banking into a joint publication, retaining the features of both periodicals as now conducted, be and hereby is recommended, provided that editorial and financial details can be satisfactorily arranged.

RESOLVED, That if the Institute will accept as Institute associate members all members of the American Bankers Association, the Association will pay to the Institute in monthly instalments annual dues of seventy-five cents for each Institute associate member so constituted, in lieu of the annual appropriation heretofore made by the Association for Institute purposes.

RESOLVED, That the subject matter of the foregoing resolutions be and hereby is referred to the Institute Committee in conjunction with the officers of the Association, with power to arrange details.

In view of the importance of the consolidation of the Journal and the Bulletin, the Institute council had authorized Chairman Wilson to appoint a special committee to meet with members of the Association's Institute Committee and with officers of the American Bankers Association at the Atlantic City meeting. Accordingly, the chairman had appointed Newton D. Alling, E. A. Havens, and Frank M. Polliard. At a joint meeting of this special committee and two representatives of the Institute Committee, John H. Puelicher and D. C. Wills, the following resolutions were unanimously adopted as equitable conditions on which the proposed consolidation should be based.

RESOLVED, That the name of the consolidated periodical should be Journal of the American Bankers Association, including the Bulletin of the A.I.B.

RESOLVED, That upon the consolidation of the Journal and Bulletin into a joint publication as heretofore provided, the policy of the Bulletin, editorially and otherwise, and the subject matter contained therein shall be under the control and direction of the Executive Council of the American Institute of Banking Section of the American Bankers Association.

RESOLVED, That the Institute shall pay fifty cents a year to the American Bankers Association for such annual subscriptions to the consolidated publication as the Institute may order, provided that the Association shall fulfil all prepaid unexpired subscriptions to the Bulletin and continue to furnish subscriptions to chapter members in accordance with the present custom of the Institute.

At the annual meeting of the Institute Executive Council on June 7, 1910, Chairman Wilson reported that since the meeting at Atlantic City, the officers of the American Bankers Association had approved the conditions set forth in the resolutions.

The action of the special committee was approved, and the committee was discharged with the thanks and commendation of the council.

The first issue of the combined publication appeared in July 1910. If there were Institute members who felt that their Bulletin had lost its distinctive character, no complaints were registered officially, and the Institute section of the Journal-Bulletin continued to be conducted along much the same lines as the former independent Bulletin.

Three New Features

Three new features were introduced in 1915 and 1916. The first was a department headed Forum of the Institute, to be devoted to questions and answers on banking and financial subjects—in a sense a revival of the department on practical banking that had been operated in the early years of the Bulletin. This department was started in January 1915 and was continued through August 1916, with only a few interruptions. Naturally, many of the questions related to the operation of the Federal Reserve System, a subject that was uppermost in banking circles at that time.

The second feature was a course of study in savings banking consisting of eight lessons, the first of which appeared in the November 1915 issue. The following list gives an idea of the scope and length of the course.

Lesson 1. Operation of the School Savings Bank (7 pages), by Milton W. Harrison, secretary of the Savings Bank Section, American Bankers Association

Lesson 2. The Ethics of a Savings Bank (4 pages), by William E. Knox, comptroller of the Bowery Savings Bank, New York City

Lesson 3. Savings Banking in Europe (8 pages), by Milton W. Harrison

Lesson 4. Savings Banking in the United States (9 pages), by Milton W. Harrison

Lesson 5. The Savings Bank as an Accumulator of Capital (2 pages), by W. H. Kniffin Jr., vice president, First National Bank, Jamaica, New York

Lesson 6. Stock Savings Banks (5 pages), by E. G. McWilliam, publicity manager, Security Trust and Savings Bank, Los Angeles, California

Lesson 7. Investments for a Mutual Savings Bank (8 pages), by Edward L. Robinson, vice president, Eutaw Savings Bank, Baltimore, Maryland

Lesson 8. Savings Banking in South America (4 pages), by Milton W. Harrison

The third feature was a course of study in foreign banking which ran in the March, April, May, and July 1916 issues. The subject matter covered was as follows:

Lesson 1. South America and South American Trade (5 pages), by William S. Kies, vice president, National City Bank, New York City

Lesson 2. American Bankers and Foreign Trade (4 pages), by John E. Rovensky, vice president, National Bank of Commerce, New York City

Lesson 3. Our Domestic and Foreign Relations (3 pages), by John J. Arnold, vice president, First National Bank, Chicago, Illinois

Lesson 4. South American Trade from a Commercial Viewpoint (8 pages), by William S. Kies

Operational Difficulties and Their Solution

Thomas B. Paton was editor of the Journal of the American Bankers Association at the time the two magazines were consolidated. While there was no written agreement, it was understood that 60% of the space in the Journal-Bulletin would contain Association matter and 40% of the contents would be devoted to the Institute.

That understanding was carried out almost to the letter while Mr. Paton was editor of the Journal. Arthur D. Welton, who had been appointed director of the Association's department of public relations, replaced Mr. Paton as editor in October 1914. It was no secret that Mr. Welton was not particularly pleased with the combination idea, and the space allotted to the Institute

decreased as time went on. The 1915-1916 volume showed the division of space as Association 70% and Institute 30%; the 1916-1917 volume, as Association 72% and Institute 28%; the 1917-1918 volume, as Association 83% and Institute 17%.

After Mr. Welton took over the editorship, he complained on several occasions about the editorial content of some of the material in the Bulletin portion of the magazine, particularly the chaptergram section. Consequently, at a meeting of the Institute Executive Council on August 17, 1915 the matter was brought up for consideration, and the following resolution was adopted.

RESOLVED, That, in view of the changes that have been suggested from time to time for improvement of the Journal-Bulletin and in keeping with the determination to maintain such publication on the highest standard, the educational director be and hereby is instructed to edit all communications submitted for publication to conform with the established policy of the Journal-Bulletin.

As time went on dissatisfaction with the combined publication developed along lines other than editorial. It finally came to a head, and an official announcement on the subject was made in the August 1917 issue of the Journal-Bulletin, as follows:

The high cost of publication has created conditions in connection with Journal-Bulletin subscriptions that are embarrassing. The Journal-Bulletin is published by the American Bankers Association and heretofore Institute chapter members have been required to subscribe for the publication through their respective chapter treasurers. Such subscriptions have been partially in lieu of dues to the national organization of the Institute that would otherwise have been necessitated.

From subscriptions collected from chapter members through the general office of the Institute heretofore, the Institute has retained twenty-five cents and paid the balance to the American Bankers Association. The increase in the cost of publication has made it necessary that the American Bankers Association should receive $1 a year from each individual Institute subscriber, which sum must be net. This

means that the Institute must give up the twenty-five cents margin on its Journal-Bulletin subscriptions.

To meet the conditions thus described the idea has been suggested that subscriptions to the Journal-Bulletin on the part of Institute chapter members might be made optional instead of compulsory, and that the loss to the Institute occasioned by giving up the twenty-five cents margin on Journal-Bulletins heretofore in effect might be made up by imposing direct dues upon chapters based upon active membership at the rate of twenty-five cents per member.

In accordance with the suggested plan, a proposal to amend the by-laws by substituting two new sections for section 4 was presented.

Another proposed amendment to the by-laws was published in the September 1917 issue of the Journal-Bulletin. The accompanying explanation stated that in some states there had developed the idea of having correspondence students organized in regular chapters, with the same system of government as city chapters and the same relationship as city chapters to the national organization. This idea had taken concrete form in the state of Wisconsin, and arrangements were being made for a meeting of Wisconsin correspondence students at Milwaukee in the near future.

While the organization of state chapters would doubtless be permissible under existing by-laws, the explanation continued, the importance of the movement made it desirable to have state chapters specifically authorized. Therefore, a revision of the two sections proposed in the August Journal-Bulletin was suggested to give effect to the authorization of state chapters as well as to the elimination of compulsory subscription to the official publication. The revised version was as follows:

4. Members of the Institute shall consist of duly authorized chapters organized and conducted in suitable cities or in suitable states. City and

state chapters thus constituted shall pay to the Institute annual dues of twenty-five cents for each of their chapter members, such annual dues to be paid in quarterly instalments in advance.

5. Duly enrolled students and graduates of the Institute outside of the respective territories of city and state chapters, and not members of any city or state chapter, shall constitute the Correspondence Chapter. The Correspondence Chapter shall pay to the Institute annual dues of twenty-five cents for each Correspondence Chapter student hereafter enrolled in the Institute standard study course.

The proposed amendment in its revised form was submitted to the Executive Council at the annual meeting on September 11, 1917. After a thorough discussion, the council voted to recommend the adoption of sections 4 and 5, subsequent sections to be renumbered accordingly. The council made its report to the Chicago convention on September 12, and the sections were adopted unanimously.

In the November 1917 issue of the official publication, President Rudolf S. Hecht announced that effective January 1, 1918 the Journal-Bulletin would be sent only to members who had entered their subscriptions at the rate of $1 a year. This arrangement, however, did not improve the financial situation of the publication as far as income from Institute members was concerned. Therefore, in the April 1918 issue President Hecht reviewed the situation and announced that the Institute would again publish its own Bulletin. Excerpts from that lengthy announcement, headed Plan for an Independent Institute Bulletin, are included in this record because of the importance of the step in the subsequent development of the Institute.

Incident to the growth of the American Bankers Association in membership and usefulness during the last few years, the Journal-Bulletin has been transformed from a complication of announcements into a financial periodical of the highest type. Such changes in the character and size of the Journal-Bulletin, combined with the high

cost of publication, have necessitated an increase of the subscription price from $1 a year to $2 a year.

When the subscription price of the Journal-Bulletin was $1 a year, the American Bankers Association furnished the national organization of the Institute with subscriptions at 50 cents a year, and the Institute furnished subscriptions to chapter members at 75 cents a year retaining the balance of 25 cents for the purpose of partially paying the expenses of the national organization of the Institute, in lieu of dues that would otherwise have been required.

When the subscription price was increased to $2 a year, it became necessary to charge at least $1 a year net for subscriptions of chapter members, and to provide for the twenty-five-cent per capita required to assist in financing the national organization of the Institute. To meet conditions thus described, the by-laws of the Institute were amended at the Chicago convention.

The question of subscriptions to the Journal-Bulletin has therefore been left largely to the individual inclination of each chapter member to decide whether or not he wants to pay $1 for a year's subscription to the Journal-Bulletin in addition to the dues which he is paying to his local chapter.

It was to be foreseen that this change would necessarily cut down the subscription list of the Journal-Bulletin to but a small percentage of our total membership (approximately 22,000), and the developments of the past few weeks have clearly and definitely established this fact.

A few chapters felt that they could afford to take $1 out of the annual dues of each one of their members and subscribe to the Journal-Bulletin in their name; but in most chapters the subscription list has fallen from 100 per cent of the membership in the past to as low as 2 or 3 per cent; and in but few cases it exceeds 10 per cent.

It can readily be seen that this is a very undesirable state of affairs, because it will probably mean that at least 75 per cent of our membership will hereafter be without any means of keeping in touch with what our organization is doing, and that will ultimately result in many of our men losing interest in the national organization entirely.

Feeling that something had to be done to remedy this situation, and wanting to find out just what the sentiment of the different chapters may be, I sent out a questionnaire to every chapter president and to

the members of the Executive Council of the Institute, wherein I requested answers on twelve points in connection with this problem. The answers which I have received to this questionnaire indicate an almost unanimous opinion that the time has come when the Institute should publish again a Bulletin of its own, distinct from the Journal of the American Bankers Association.

Whether we like to admit it or not, it is a fact that a deplorably small percentage of our members do now read the Journal-Bulletin. But we hope that the nature of the independent Bulletin which we propose to publish will cure this situation, because we expect to make it so interesting that the boys will really be looking forward to its appearance from one quarter to the next.

It was my privilege to attend the Administrative Committee meeting of the American Bankers Association in New York in the latter part of January, where the question of separating the Journal and the Bulletin was fully discussed and the following resolution was passed.

"Resolved, That the American Institute of Banking Section be and hereby is authorized to publish a quarterly Bulletin separate and distinct from the Journal of the American Bankers Association provided the publication of such Bulletin shall not necessitate any increase of the appropriation now made by the Association for Institute purposes."

After the Administrative Committee had definitely approved our plan I had the opportunity to visit several of the larger chapters in the country, including New York, Philadelphia, Washington, Pittsburgh, and Cleveland, and I am glad to say that everywhere the unanimous opinion was that the solution suggested is a very satisfactory one from every standpoint.

Rejuvenated Bulletin

The rejuvenated Bulletin made its appearance in July 1918, with George E. Allen as editor. To increase the subscription price to Institute members in accordance with the plan outlined by President Hecht in the April issue, an amendment to section 4 of the by-laws, fixing the rate at fifty cents a year, was proposed and, on the recommendation of the Executive Council, was adopted at the Denver convention on September 17, 1918. At the same time section 5 was repealed. Section 4 as amended appears in Appendix VI.

Commenting on the "return of the Bulletin" in the July 1918 issue, Mr. Hecht said:

> Please bear in mind that it is intended to be your publication, and that it will be only as good and as interesting as our members make it. The whole aim and purpose of the publication is to provide a clearing house for news concerning Institute activities. It is to be conducted by Institute members for Institute members, and it will, we hope, promote Institute unity and perpetuate Institute friendships.

The first issue of the rejuvenated Bulletin was quite a homecoming for the magazine; it contained contributions from Charles A. Hinsch, then president of the American Bankers Association, Fred E. Farnsworth, Joseph Chapman, D. C. Wills, Fred W. Ellsworth, H. J. Dreher, Byron W. Moser, Robert H. Bean, Newton D. Alling, and E. G. McWilliam. Besides the good wishes expressed by all these contributors, there was a message from General John J. Pershing.

At the Minneapolis convention in July 1921, the Institute by-laws were amended to fix the subscription price of the Bulletin to Institute members at seventy-five cents.

Change in Editorship

George E. Allen's editorship terminated with the July 1921 issue, and Richard W. Hill took over the editor's duties beginning with the October number. The new editor had in mind the high standard of the early issues of the Bulletin, and he endeavored to follow the pattern set by Joseph C. Lincoln and George Allen. The result of his initial efforts was a series of articles on financing: financing the apple crop, the flour industry, California oranges, tobacco, the lumber industry, livestock, and cattle loans.

The chaptergram department, which had dated from the early years, was an important part of the rejuvenated Bulletin, and it held its place in the publication uninterruptedly to and

including the July 1940 issue. In 1928 the title of the department was changed to Chapter Highlights.

Editorials were reintroduced in April 1927, and they too were continued through July 1940. Book reviews were carried from October 1927 to April 1935.

One of the most successful departments of the Bulletin during Editor Hill's tenure, entitled The Speakers Treasure Chest, was introduced in April 1927 and was continued through July 1940, when Mr. Hill's service with the Institute terminated. This department contained quotations suitable for articles and speeches and it received continuous favorable comments. On many occasions Institute members showed the editor scrapbooks of Treasure Chest quotations.

In reminiscing on the subject of the Bulletin, Mr. Hill once commented that he looked back on his editorship, covering nearly twenty years, with a feeling of inadequacy and yet with a sense of satisfaction in the knowledge that he had done the best he could to "carry the torch of Institute enlightenment, set aflame by his eminent predecessors, Uncle George Allen and Joe Lincoln," whose examples he conscientiously endeavored to emulate.

The life of the Bulletin did not cease with the July 1940 issue, but what happened to it after that time is an episode which belongs to a later period in the story of the Institute.

XVIII

Adventuring in a New Field

AS EARLY as 1910, when there were only 148 standard graduates, thoughtful Institute leaders began to consider the question of what the future of the alumni was to be. An editorial in the January 1910 Bulletin referred to an informal meeting of some of the alumni at which the subject was discussed, and stated that in their judgment the main question was how they could best serve the interests of the Institute. Among the specific questions that ought to be considered, the editorial continued, were these:

1. What elevating influence can alumni exert upon the national organization and its chapters and what can be done to promote sound banking principles and practices among bankers and the general public?

2. What plan of post-graduate study can be devised to continue alumni in active Institute work?

The editorial concluded by commenting that these questions "must be answered in deeds as well as in words if the Institute is to fulfil its destiny. Coordination of educational assets is all that is now necessary to make the Institute the most effective organization for individual and public good, and the alumni are desirous of being serviceable to all concerned."

An editorial in the September 1910 Bulletin carried the matter a step further by stating that the future of the Institute alumni was a question that should be discussed with the view of formulating some definite policy at the Rochester convention in 1911.

No formal action was taken at the Rochester convention, but

the report of the Executive Council, presented by Chairman Brandt C. Downey on September 7, 1911, contained the following references to the future of the alumni.

To satisfy the ambition of such as want more advanced work, your Executive Council recommends the establishment of a system of post-graduate study to supplement existing Institute facilities.

The future of the Institute will depend largely upon its fruit in the form of graduates. It is natural that Institute graduates should become less active in Institute routine, but to them is open a higher and broader field of activity. Among their opportunities for usefulness to themselves and others are the conduct of study classes in chapters and banks, and systematic organization for the extension of sound banking principles and practices, not only among bankers but among the public; for upon sound banking principles and practices the prosperity not only of American banks but of America itself depends.

Acting on the recommendation of the Executive Council, President Raymond B. Cox, in February 1912, announced the appointment of a committee on post-graduate education consisting of the following: J. A. Broderick of New York, chairman, J. E. Rovensky of Pittsburgh, Joshua Evans Jr. of Washington, J. A. Neilson of New York, James D. Garrett of Baltimore, Freas Brown Snyder of Philadelphia, and E. A. Havens of Providence.

President Cox then forecast the future trend of banking education and stated the rudiments of the philosophy on which the Institute's present career program is based.

Now that the prescribed courses of the Institute, which were prepared to provide elementary education for the majority rather than academic education for the few, are thoroughly established, with the value of the Institute certificate extensively recognized, it is time that an advanced course of study be provided for that rapidly increasing number of Institute graduates. It is not enough that the Institute should merely provide the bank man with the facilities for learning the fundamental principles and methods of his profession; it should be

prepared to lead him into the most advanced thought and intricate problems. The day should not be far distant when the best bankers and highest financial authorities in the country will be products of the Institute. It has taken many years to prepare the course of study which is now prescribed as the foundation; it may take as many more years to satisfactorily arrange this advanced course, but the initial effort will be made by this committee of Institute graduates.

The committee on post-graduate study met at the Hotel Astor in New York City on March 31, 1912 and came to an agreement on a general plan. The details were carefully worked out and were presented in the August Bulletin. The committee prefaced its outline of the plan by stating that the new course would be on a par with the post-graduate courses of universities; furthermore, that new courses were necessary not only to permit the development of individual members but also to retain the interest of graduates in Institute activities.

Plan of Post-Graduate Study

The plan, as may be seen from the following summary, was truly post-collegiate in character and in its ultimate objective might even be regarded as a forerunner of the present program of The Graduate School of Banking. Considering the times in which it was put into effect, however, it was much too advanced for the average run of Institute graduates, as shown by events of the next few years. This is not to imply that the effort put into the system of post-graduate study was wasted but rather to emphasize the fact that the mind of the average Institute graduate was not yet conditioned for independent research work.

The recommended plan, first of all, set down the six main points on which the committee had agreed, as follows:

(a) A system of post-graduate education shall be established to supplement the present course.

(b) Such course shall consist of research in banking, finance, business administration, and accounting.

(c) A suitable standard shall be fixed and maintained through the preparation of essays on subjects prescribed annually by a committee of graduates, such subjects to be of a character to encourage the expression of original thought on the part of the student.

(d) The merits of the essays, thus submitted, shall be determined by a committee of three or more judges, selected by the Institute Executive Council from prominent bankers and educators.

(e) Authors of essays approved under such provisions shall be known as Associates of the American Institute of Banking.

(f) The number of Associates chosen in any one year shall be dependent upon the number of essays approved by the judges, but all men so chosen MUST be holders of the Institute certificate.

The title Associate of the Institute may be changed, but the standard of requirements and the method of its attainment may be regarded as fixed.

The plan went on to state that a definite course of study would be prescribed by the committee of graduates each year, that a syllabus of each subject selected would be prepared for distribution, and that references for collateral reading would be given, together with suggestions for the amount of work to be covered each month. Since the course would be arranged for graduates in different sections of the country, the subjects chosen would be national in scope and importance. Moreover, the syllabus would be arranged both for cooperative study and for individual study where cooperative work was impossible.

The plan recommended that in all cities where chapters existed, the graduates organize chapter forums so that the members might have the benefits to be derived from cooperative study and from the interchange of ideas. It was not intended, however, to limit the forum activities to the advanced study course. Each forum would be free to undertake such other work as might be desired. Thus, in the general forum work, public speaking should be encouraged, symposiums on practical

subjects should be held, and special subjects of local and national importance should be considered from time to time.

The plan next gave suggestions for the organization and conduct of a chapter forum. There should be two committees: a study committee and a forum committee.

The study committee, composed of at least three members, should undertake the general direction of the prescribed course. This committee should organize meetings, master the study course in advance of the meetings, be the leaders in cooperative study, arrange for discussions of disputed points, and keep in touch with all matters relating to the study course which might be of interest to the group.

The forum committee, also composed of at least three members, should arrange for symposiums on practical banking subjects, follow banking legislation and keep members informed of changes in laws governing business and banking, arrange for debates and discussions on current public questions, and arrange for public meetings to which prominent banking and public officials should be invited. In short, the forum was intended to become "a clearing house of ideas where the senior members of the banking profession" could exchange their views.

With respect to membership, the plan stated that every graduate should be entitled to enroll as a member of a forum; in fact, at the start the graduates should be the charter members. The question of admitting chapter men who were not graduates was a matter for each forum to decide for itself. But since this was essentially a graduate course, the plan recommended that the forum meetings be kept separate from the regular chapter meetings and that they be conducted primarily as special meetings for graduates, bank officers, and other senior bank men whose practical experience qualified them to become members.

The chairmen and the members of both the study committee and the forum committee should be certificate holders.

The plan then outlined the procedure by which a graduate might become an Associate of the Institute, and it concluded with the following resolution, which the committee recommended for adoption by the convention:

> Resolved, That the American Institute of Banking in convention assembled adopt the post-graduate educational plan and standard, as recommended by its committee, and direct the Executive Council to place the plan in operation.

The plan outlined in the August Bulletin was made the basis of the committee's report at the Salt Lake convention on August 23, 1912. The report was approved and the suggested resolution was adopted by the convention. As already noted in Chapter XVI, an article establishing the system of post-graduate study was incorporated in the revised constitution adopted at the Salt Lake convention.

First Year 1912-1913

The subjects and conditions prescribed for the first year of post-graduate study were announced in the February 1913 Bulletin. These were the subjects for the essays:

1. Political Considerations in Financial Legislation
2. Evolution of Bank Checks and Their Effect on Currency Issues
3. Centralization versus Diffusion in Control of Money and Credit
4. Agricultural Credit in National Development
5. Public Education in Banking and Finance.

Contestants were privileged to write on any one of the five topics, subject to the following conditions.

1. Essays must be typewritten and three identical copies submitted to the educational director not later than August 17, 1913. Essays should not exceed 5,000 words.

2. Essays must bear fictitious names that will conceal the identity of their authors. In a sealed envelope addressed to the educational director each author must give his real name in connection with the fictitious name signed to his essay.

At the Richmond convention on September 19, 1913 J. E. Rovensky, chairman of the committee on post-graduate study, reported that twelve essays had been submitted and were in the hands of the judges appointed by the Executive Council. The committee's report contained four recommendations: (1) that no change be made in the course of study for 1913-1914 inasmuch as the graduates in most chapters had not had time to finish their studies already begun; (2) that one of the judges appointed thereafter should be a prominent banker, one an Institute graduate (or eventually an Institute Associate), and one a university educator who had been connected with Institute work and was familiar with Institute policies; (3) that the present course be reexamined by two competent educators and the educational director; (4) that chapter forums be asked to encourage the discussion of present-day banking and currency legislation with the view of producing a class of men who would be able "to represent the Institute and the banking profession in general before various public gatherings and explain the questions of the day."

The committee of judges appointed to determine the relative merits of the twelve essays submitted in the post-graduate contest consisted of James G. Cannon, Fred I. Kent, and J. A. Broderick. Their decision was announced in the December 1913 Bulletin. The successful candidates for the "degree" of Associate were H. J. Dreher and James H. Daggett, both of Milwaukee Chapter. Mr. Dreher had taken the first subject in the list and Mr. Daggett had taken the fourth subject. Alex-

ander Wall of Milwaukee Chapter and Walter A. Mueller of Chicago Chapter received honorable mention.

In line with the committee's recommendation at the Richmond convention, the syllabus for the first year's work was submitted to seven prominent educators for reexamination in December 1913. In May 1914 President Dreher announced that David Kinley, University of Illinois, E. R. A. Seligman, Columbia University, and W. A. Scott, University of Wisconsin, had rendered their reports and that their suggestions were being considered by the educational director and the post-graduate committee. Later in the year the revised syllabus was printed in pamphlet form and copyrighted.

Second Year 1913-1914

In February 1914 the new chairman of the committee, James D. Garrett, announced the subjects for the current year. Since essays on only two of the previous year's subjects had been published, the other three topics were retained and two new subjects were added:

4. Possibilities of Bills of Exchange in American Business

5. Effect of the Federal Reserve Act upon Banking and Business Interests.

The judges for the second year's contest were Professor O. M. W. Sprague of Harvard University, H. P. Willis of the New York Journal of Commerce, and Freas Brown Snyder, First National Bank of Philadelphia.

Ten theses were submitted, and the degree of Associate of the American Institute of Banking was conferred upon the following:

H. V. Alward, Kalispell, Montana
Frank E. Bachhuber, Milwaukee Chapter
Alexander Wall, Milwaukee Chapter
O. Howard Wolfe, New York Chapter

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Arthur E. Elmer and H. E. Deily, both of Philadelphia Chapter, received honorable mention.

The Institute now had six Associates, four of whom were members of Milwaukee Chapter.

Third Year 1914-1915

In January 1915 the committee on post-graduate study, of which Rudolf S. Hecht was chairman, announced the following topics for theses to be written during 1914-1915:

1. The Discount Function under the Federal Reserve System; Its Development and Future

2. The Development of a System of Commercial Acceptances by American Banks and Its Effect upon Trade and Finance

3. The Possibility of Credit and Note Inflation under the Federal Reserve System

4. Modern Methods of Settling International Trade Balances

5. Financial Possibilities and Problems in Connection with the Development of Central and South American Trade.

The announcement stated that the Board of Regents appointed under an amendment to the constitution adopted at the Dallas convention would be the judges of theses. The final paragraph of the report read: "Unsuccessful contestants may submit theses until they have either secured the Institute degree or have satisfied themselves that it is beyond attainment, but no contestant may submit more than one thesis in any one year."

In answer to an inquiry from a chapter member regarding the difference in methods pursued in post-graduate work and in Institute under-graduate work, the editor made this reply in the February 1915 Bulletin:

> In under-graduate work students have textbooks and examinations prescribed to them for the reason that in this stage of education they are not supposed to have fully acquired the habit of investigation or

the desire to investigate. Completion of the standard Institute study course, however, is supposed to have developed sufficient ability in students to enable them to proceed in a more elective manner. Hence the post-graduate course consists simply of a list of books with a syllabus suggesting features of particular interest. The Institute charges no fees in connection with post-graduate work. All post-graduate students have to do is to get the books and study them in their own way. If they choose to write a competitive thesis they are at liberty to do so, but the writing of a thesis is not compulsory.

On August 20, 1915 the Executive Council voted to refer the subject matter of post-graduate work to the Board of Regents, with authority to hold necessary meetings at the expense of the Institute.

No one qualified for the degree of Associate during the third year of post-graduate study. In this connection President William S. Evans made the following comment in his address at the San Francisco convention on August 18, 1915.

For some unaccountable reason Institute graduates have not made the progress in post-graduate work that was logically expected and earnestly hoped for. Notwithstanding strenuous efforts on the part of the post-graduate committee to stimulate interest in post-graduate work, candor compels the regrettable conclusion that the year brought very few theses to be judged for the post-graduate degree. Whatever the reason for that situation, the indisputable fact remains that the successful pursuit of the post-graduate work is a logical continuation of Institute helpfulness and a necessary part of thorough banking education.

Fourth Year 1915-1916

The Board of Regents prescribed the following thesis subjects for 1915-1916:

1. The Second United States Bank and Its Lessons for the Operation of the Federal Reserve System

2. Security Prices—Interest and Discount Rates in the Years Immediately Following the Napoleonic and Civil Wars

3. The London Money Market—Its Rise and Its Future.

Minor changes were made in the conditions governing post-graduate theses. Five typewritten copies were required instead of three; theses were limited to not less than 5,000 words or more than 10,000; theses were required to contain bibliological references to books and authorities utilized in their preparation. The concluding paragraph stated:

> The object of the thesis is not just to ascertain how much reading has been done or how many references can be quoted; *it is to show an original practical application of principles, with the purpose of increasing the store of the world's knowledge, instead of merely repeating what is already known.* This may seem a high ideal, but it is the proper inspiration for the man seeking the Institute's degree.

No one was awarded the degree of Associate for the fourth year of post-graduate study.

Fifth Year 1916-1917

Apparently the plan of using topics relating to the history of banking and economics as thesis subjects for 1915-1916 had run into difficulties because of the popularity of more timely questions resulting from the upheaval of world affairs, both financially and industrially. Therefore the subjects for theses during 1916-1917 were directed toward current problems:

1. The Gold Supply and the Federal Reserve Banks
2. Trade and Bank Acceptances in Our Financial System
3. War Finance and the Future of America's Financial Position
4. Economic and Financial Changes under the Rural Credit Law.

Again no one qualified for the degree of Associate. President E. G. McWilliam made the following statement on this subject at the Chicago convention in September 1917.

> I regret to report that none of the theses submitted by this year's candidates for the Associate class have been deemed worthy of that honor by the Board of Regents. To be known as an Associate of the

American Institute of Banking is the highest honor obtainable within the Institute. To attain that honor one must have taken the post-graduate work and submitted a thesis upon a subject selected from among several suggested by the Board of Regents, which thesis must indicate a knowledge of the subject selected that in the opinion of the board entitles the writer to be known as an Associate. While it is a matter for regret that we can report no Associates this year, it is better so than that the standard should be lowered, and it is to be hoped that many of those who have failed will try again and eventually win the coveted honor.

No subjects were announced for 1917-1918, for it was clear to both the Board of Regents and the Executive Council that the basis on which the post-graduate work had been conducted was no longer practicable.

Post-Graduate System Superseded by Formal Courses

A meeting of the Board of Regents was held on November 17, 1917 for the purpose of reviewing the entire educational program, and a number of leading educators were invited to attend the conference in order that the board might have the benefit of various points of view. At this meeting it was decided to establish advanced courses of study in accounting and credit, investments, and international trade and exchange, and plans were made to have the course in accounting and credit available in the fall of 1918. This course was to be conducted on the same basis as the standard courses, with a textbook, a selection of publications on collateral subjects, a series of practical exercises, and a final examination.

In his annual address at the Denver convention in 1918, President Rudolf S. Hecht referred to the meeting of the Board of Regents and commented on the post-graduate work as follows:

> It was agreed that instead of the post-graduate course which has heretofore been of rather an indefinite and haphazard nature, we should work out another two-year course of study which would be taken up by those who had first obtained the standard certificate. It

was generally agreed that one of the fixed subjects which should be included in this post-graduate work is that of higher accounting and its relation to credit and finance.

President Hecht then stated that it had not been finally decided whether "another kind of certificate or some sort of honor or title should be given to those who pass the examination for post-graduate work."

With the post-graduate work superseded by formal courses of study, there was no longer any need for a provision in the Institute by-laws on this subject. Therefore, the proposed amendments to be submitted to the New Orleans convention contained a resolution that Article II relating to the system of post-graduate study be repealed and that subsequent articles be renumbered. On October 8, 1919 the convention approved the recommendation of the Executive Council, and Article II was officially repealed.

The development of the advanced courses of study will be traced in a later chapter devoted to the progress of the educational program as a whole.

XIX

The Institute in Peace and War

ALL THE while the Institute was going about the business of improving and standardizing its educational tools and developing its system of post-graduate study, a war cloud was looming darkly on the horizon. When the delegates met at Dallas in September 1914, they met in the midst of a world in turmoil, for the cloud had burst and loosed its implements of destruction over half the civilized globe. The self-styled "master race" had struck at its neighbors with all its might, and Europe was resounding to the tramp of armed men and the clanking of war machines.

Our nation was at peace with the world, and for a few years it did not seem likely that we would be drawn into the conflict. Still, the United States was fast becoming a world power, and grave doubts that we could continue to resist the pressure from abroad gradually crept into the minds of our people.

Institute leaders, like all other Americans, watched developments in Europe with anxious eyes, and when they assembled at San Francisco in the summer of 1915, it seemed wise to give thought to the matter of preparing themselves for possible eventualities. At the first session of the convention on August 18, H. J. Dreher of Milwaukee presented the following resolutions, together with his reasons for proposing their adoption, and the resolutions were adopted by the convention with enthusiastic demonstrations of approval.

By reason of the European war the American people have clearly realized that a proper system of defense must be provided against

the time when the nation's existence may be threatened or imperilled by a hostile force.

Preparedness in Time of Peace

The nations of Europe have long realized that a citizen soldiery is the surest defense of a nation's honor, and in their systems of military training have developed men physically strong and submissive to proper discipline, which are attributes equally valuable in times of peace as of war.

No body of men by reason of age, physical condition, intelligence, and hours of employment are more capable of undertaking military training than the members of the American Institute of Banking.

Therefore, be it resolved, that the American Institute of Banking, in convention assembled, does hereby place itself on record in favor of the efforts now being made to train up an adequate citizen soldiery under such limitations as will forever preserve the subordination of the military to the civil power.

And be it further resolved, that the chapters of the Institute advance the idea of military training, under chapter auspices, amongst their members in order that physical benefits may accrue to individual members thereof, and that our country may understand that in times of need it may depend upon the bank men of the country.

President Robert H. Bean appointed the following Institute members as a committee on military instruction to carry out the spirit of the resolutions: H. J. Dreher, chairman, Milwaukee; E. D. Hulbert, Chicago; Charles E. Warren, New York; Joseph Chapman Jr., Minneapolis; William S. Evans, Philadelphia; J. S. Curran, San Francisco.

The committee prepared detailed directions for military training in the American Institute of Banking, for the use of chapter presidents and others in charge of such work, and an outline of the program was published in the December 1915 Bulletin. Introductory to this outline the committee on military instruction said:

Our nation is committed to a plan of adequate defense. To make such a plan successful, intensive educational work must be done. Such work can only be done in an effective way by organizations composed

of large bodies of men having a common purpose and ideal, and seeking in addition to professional advantage, the welfare and continued development, with honor, of our country.

Never has an opportunity been given bankers to do so much practical work in the advancement of a great idea necessary to the perpetuation of the Republic. It must always be remembered that apathy toward military service is the attitude of mind of a large number of men. To overcome this apathy is the duty of every organization dealing with men. It is our hope that the American Institute of Banking may demonstrate in this public service, as efficiently as it has demonstrated in the field of banking, its ability and power to successfully consummate any policy which it adopts as its own.

Some work was done by various chapters in carrying out the initial program outlined by the committee, particularly in the matter of recruiting men for training camps. The committee soon found, however, that preparedness leagues, directors of summer camps, and existing military organizations were already doing whatever was necessary along these lines. Therefore, instead of acting independently, the committee placed itself at the service of the War Department, the several military organizations, the National Security League, and other patriotic groups in a supplementary capacity.

At the Cincinnati convention in 1916 President Bean reported that in every training camp, particularly at Plattsburg, a large number of Institute members were enrolled either as "rookies" or as second year men and that Major General Wood had given his unqualified indorsement of the value of the assistance rendered by the Institute.

As the result of a series of events during 1915 and 1916, including the tragic sinking of the Lusitania and the submarine warfare against our shipping, the United States could no longer remain neutral, and reluctantly, but confident of victory, we entered the struggle on the side of the allies early in April 1917.

Following the declaration of war, the Institute president sent this telegram to the President of the United States:

New York, April 27, 1917.

To the President,
Washington, D.C.

The American Institute of Banking with a membership exceeding twenty-two thousand bankers and bank men of the country, desires to offer you its services for the purpose of assisting in the sale and distribution of the great war loan. This loan must be spontaneously successful. We all realize that the people of this country as a class are not familiar with investment bonds, and that to insure this success, there must be a vast amount of education. One form of education can be by means of practical talks to men's clubs, employees of factories, department store employees, and other similar groups of people. Members of the American Institute of Banking are equipped by systematic education and by actual experience, to make these practical talks. Through its seventy-five chapters located in the principal cities of the country, the Institute quickly and simultaneously can reach a very large percentage of our population. Should you care to make use of our services, we could prepare and start such a campaign immediately.

E. G. McWILLIAM, President,
American Institute of Banking.

President Wilson replied as follows:

THE WHITE HOUSE
Washington

April 28, 1917.

My dear Mr. McWilliam:

I am very much gratified by the generous offer made by you in your message of April 27th, and I thank you warmly for it. I appreciate most heartily this assurance of cooperation and support.

Cordially and sincerely yours,

(signed) Woodrow Wilson

Mr. E. G. McWilliam,
President,
American Institute of Banking,
New York City.

The Institute in World War I

By vote of the delegates to the Cincinnati convention in 1916, Denver had been chosen as the convention city for 1917, but our entrance into the war changed the picture entirely. On June 12, 1917, by order of President McWilliam, the following preamble and resolution were submitted to the members of the Executive Council, and the resolution was adopted unanimously.

WHEREAS, War conditions have placed upon the banks of the United States an extraordinary amount of work, the details of which must be performed largely by chapter members of the American Institute of Banking; and

WHEREAS, The number of Institute chapter members already in the service of the United States army and navy, and the greater number that doubtless will be called to such service in the near future, promise to create emergency conditions in the operation of most banks; and

WHEREAS, The chapter members of the American Institute of Banking realize that their first duty is to their country and that in this crisis everything possible should be done which can in any way assist in hastening and insuring that victory which must be ours; therefore be it

RESOLVED, By the Executive Council of the American Institute of Banking, in whom authority is vested by the Institute by-laws, (1) that the fifteenth annual convention of the American Institute of Banking be and hereby is limited to a single business session of one day, (2) that for the sake of convenience such convention be held in Chicago, on September 12, 1917, (3) that the suggestion is made that each chapter be represented by a single delegate, who would be authorized under the by-laws to cast the full vote of his chapter in accordance with the basis of representation provided by the Institute by-laws.

In an article in the July 1917 Bulletin, headed Institute Convention on a War Basis, President McWilliam commented at length on the reasons for the adoption of the resolution. Among the points brought out were these: that by September 12 many banks would find themselves severely handicapped for help and already there were instances of bank employees offering to forego their vacations in order that the work of their banks

might proceed without embarrassment; that if it had been possible legally to preserve the organization without an annual meeting of some sort, the council would have recommended that such a meeting be abandoned for the current year; that large inroads would be made in the membership of every chapter by the call to the colors; that the study courses should be continued but it would be better for each chapter to have one well sustained course than many poorly attended courses; that chapter forums should take as topics for discussion national and local problems presented by the war and that all bank officers should participate in these discussions, whether or not they were graduates of the Institute.

"The Chicago convention in September," President McWilliam concluded, "will be unique in Institute history. It will be strictly a business meeting. Therefore it is hoped that each chapter will send as its representative the very best man available, for much may depend upon his judgment."

Chicago Wartime Convention

As the one-day wartime convention at Chicago was called to order on September 12, the entire body rose, at the suggestion of President McWilliam, and stood silently for a few moments, with bowed heads, in tribute to those members of the Institute who had already given their services to their country.

Instead of the usual chapter presidents conference, informal discussions on the following subjects took place: The Institute and Government Loans, Post-Graduate Work, Institute Education during the War, Forums and War Topics, University Alliances, and Women in Banks.

Robert H. Bean, for the committee on military training, reported that at the request of the Adjutant General at Washington, the registration of bank men in the country had commenced in April under the direction of the Institute committee

on military training and that twenty-three chapters had completed the registration in their cities and had submitted the lists to the Institute office in New York. There the lists had been tabulated and sent to the Adjutant General in triplicate, together with an analysis of each report showing how many men had been registered, the number under 21 years of age, the number between 21 and 30, the number between 31 and 40, the number over 40, and other data.

The annual election was handled with dispatch, and the convention then adjourned, to meet in regular session at Denver in 1918.

Denver Convention

The following year, when the convention was called to order by President Rudolf S. Hecht on September 17, the delegates were asked to stand for thirty seconds in honor of the boys "Over There." The audience stood in silence, as requested, and then a large Institute service flag at the back of the stage was unfurled, revealing the fact that 3,382 Institute men were fighting in the United States armed forces.

In his annual address, President Hecht stated that some Institute leaders had felt earlier in the year that the membership would decrease materially and educational activities would necessarily be curtailed, but the contrary had been true. Although several of the smaller chapters had lost practically their entire membership as a result of the draft and consequently had been forced to discontinue activities, at least for the duration of the war, other chapters had been organized, bringing the total to eighty, or one more than the year before. Total membership remained practically unchanged, standing at 21,454. Tangible evidence of the fact that the educational work had been productive of excellent results was the increase of 312 in the number of graduates, thus bringing the total to 2,802.

At the first session, on the recommendation of the Executive Council, the convention delegates unanimously adopted the following resolution:

> Resolved, That all members of the Institute, now in or hereafter entering the service of the United States, be relieved of the payment of dues to the national organization.

The public affairs committee reported that the principal war work of Institute members had been in furnishing speakers for the various liberty loan, war savings, and Red Cross campaigns, that many members had acted as solicitors, and that a large number of chapter officers had been called upon to serve on committees in connection with these campaigns. A plan adopted by several chapters was that of having a placard placed in the window of each Institute member who was willing to furnish information about the liberty loan and to take subscriptions. Institute members, the committee added, had rendered valuable service in connection with war savings campaigns both in the formation of societies and in the securing of pledges for the purchase of war savings stamps, some chapters reporting that their entire membership had signed up for the purchase of these stamps.

The public speaking and debate committee reported that one of its activities had been the selection and training of members as speakers for local liberty loan drives.

Postwar Highlights

Less than two months after the close of the Denver convention came the news of the armistice. Whistles blew for hours, sirens shrieked with ear-piercing shrillness, ticker tape rained down on the boys as they passed in parade up Fifth Avenue on their return from across the sea, and the public went wild with joy over the prospect of again being able to pursue the ways of peace. In the midst of these demonstrations, the Institute presi-

dent received the following letter from General Pershing, written shortly after the cessation of hostilities.

AMERICAN EXPEDITIONARY FORCES
OFFICE OF THE COMMANDER-IN-CHIEF

France, December 7, 1918.

Mr. J. C. Thomson, President,
American Institute of Banking,
5 Nassau St., New York City.

Dear Mr. Thomson:

I am pleased to acknowledge the receipt of your letter of November 5th, telling me of the patriotic activities of the American Institute of Banking. Since your letter was written, however, our enemies have capitulated.

America has splendidly met the requirements of war and her loyal sons everywhere have great reason to be proud. The loyal war service of the men of the Bankers Institute should now be turned to loyal peace service, devoted to reconstruction in the coming era of peace and prosperity.

Sincerely yours,

(signed) John J. Pershing

In his annual address at the New Orleans convention in 1919, President J. C. Thomson reported that, according to the latest information available, 77 Institute members out of a total of 4,863 in the service had lost their lives. He also informed the delegates that during the war the textbooks used by the Institute had been purchased by the American Library Association for their libraries in the various camps. In addition, the Federal Board for Vocational Education at Washington had authorized the use of the American Institute of Banking courses for soldiers considering banking as a vocation. The Institute had requested

all chapters to place their facilities at the disposal of this board and already, said Mr. Thomson, a number of them had received requests to admit veterans to their study classes.

In the April 1919 Bulletin, for example, the news item from Des Moines Chapter commented: "Making bankers out of wounded soldiers now stationed at Fort Des Moines has become one of the pleasant duties of the chapter. The educational courses of the A.I.B. have been recommended by the United States Government for soldiers at reconstruction hospitals who have had previous banking experience, and the chapter is assisting by granting the boys the privilege of attending classes without charge and by furnishing textbooks free."

In closing this brief account of a period in which the patriotism of Institute members, as well as of all other Americans, was stirred to fever pitch, it seems fitting to quote a gem of literature from the pen of George E. Allen. Unable to attend the wartime convention in Chicago because of illness, he sent this message which, appropriately, was read immediately following an address on Military Preparedness by Colonel James A. Ryan, commander of Fort Sheridan Camp:

> The American Eagle is not an altogether lovable bird. It is no nightingale; it sings no sweet songs of sentiment. It is no peacock; it never struts nor spreads its tail. It is no dove, although it stands for peace wherever peace is possible. But the American Eagle can fly higher, fly straighter, fly stronger, and fly longer than any other bird in the world! And when its cold and calculating eyes look through the souls of men and the diplomacy of nations, when its fierce beak and ugly claws become set in righteous determination, and when it begins to flap its majestic wings—then let all buzzards, wolves, and reptiles BEWARE—for the American Eagle means business.

XX

The A.I.B. Goes Coeducational

BEFORE 1917 the American Institute of Banking was almost exclusively a men's organization. In fact, there were no great number of women employed in banks prior to the first world war. Many of the large city banks had no women employees, or only a few stenographers and secretaries, and the question of their participation in the Institute was not even thought of.

A few women may have been enrolled in the Correspondence School of Banking during the early years of the Institute's existence, but there is nothing in the records to show whether that was the case. The chapters, as a rule, did not admit women to membership; and even if the ranks of some chapters, especially the smaller ones, were not closed to women in those days, it is probable that no "female" was venturesome enough to invade the hallowed halls reserved for men only.

Two letters from women bank clerks, who may or may not have been correspondence students, were published in the second issue of the Bulletin, June 15, 1901. These letters shed so much light on the general attitude toward women bank employees in the early 1900's that excerpts from them are quoted as a matter of historical record. The writer of one letter, Ella J. Davis, Muncie, Indiana, had this to say:

> Only a comparatively few bankers have awakened to the fact that women can be of any use in conducting the great financial operations of the day, or even assist in the routine work of the bank. Unlike other large corporations, they have been slow in recognizing the qualifications of women in this particular line of business.

What the banks of today need are brains and energy. Our brothers can get a patent on neither article, and the time is not far off when they must divide with us, give us an equal chance. With careful preparation, close attention to business, and perseverance, who can say that our influence will not be felt, our efforts appreciated, and who dare predict failure?

The other correspondent, Elsie B. Bartlett, Passaic, New Jersey, wrote to the editor of the Bulletin as follows:

When I became teller in the bank with which I am at present connected, I was greeted on all sides with such remarks as: "Whoever heard of a woman in a bank?" Since that day a woman bank clerk is not such a rara avis.

Country banks seem more willing to open their doors to women clerks than banks in the cities. All over the country a little opening has been made for the point of the wedge, and in the next decade it probably will be no strange thing to see women installed in banks.

It is necessary to search the pages of the Bulletin for four years to find the next reference to women bank clerks. Then, in the June 1, 1905 issue, an account of the organization of New Orleans Chapter contains this paragraph:

It was not until the question of admitting women to membership came up that any difference of opinion arose. After many arguments, Miss Louise Guyol arose in defense of her sisters, and she carried the day, although it was by a narrow margin.

There is no statement in any subsequent issue of the Bulletin for the next fourteen years to show whether the bank women of New Orleans exercised their membership privilege under this provision of the original articles of association; indeed, from a chaptergram in the April 1919 Bulletin it appears that the privilege granted in 1905 was later withdrawn.

From 1905 until 1915 the Bulletin is silent on the subject of women in the Institute, but in the April 1915 issue there is the following reference to women members of the Correspondence

Chapter, written by an examiner for Banking and Finance: "The chapter may feel proud of its 'suffragette students,' as they are called by the examiners. Several young women are taking the courses, and their work compares favorably with the work of the mere men."

This brief survey of the "woman question" brings us to 1917 and World War I. In an article The Institute and the War, which appeared in the July 1917 Bulletin, President E. G. McWilliam made what seems to have been the first statement emanating from a national officer concerning women bank employees and their relation to the Institute.

> Especial efforts should be made at this time to make Institute work available to women. Women are already being called into the banks in large numbers to fill the places of men called into the army and navy, and they are eager for the training the Institute gives. Philadelphia and Los Angeles Chapters are already welcoming women to their study courses and it is hoped many other chapters will follow their example.

Bearing in mind the fact that this statement was made only three months after the United States had entered the war, we may take great satisfaction in noting how quick Institute leaders were to rise to the occasion and meet the emergency situation. The conservative attitude of banking leaders in Britain toward women employees after two years of war effort stands in marked contrast, as the following article that appeared in the July 1916 Bulletin reveals.

> Women have invaded the ranks of British bank employees in such numbers that the conservative *Bankers Magazine* of London has decided to add some educational pages for their especial benefit. Such an unheard-of concession to "female labor." It is twice editorially explained that the step is taken "with a certain amount of diffidence, because we are very desirous that our motives should not be miscon-

strued by that vast body of banking juniors who have been in the habit of studying these pages," and it is naively admitted that "war brings many changes and surprises, and if any one had suggested some two years ago that we should be contemplating the idea of devoting some pages of our magazine to the requirements of women, we should have smiled at the notion."

The Membership Question

In the fall of 1917 the incoming president, Rudolf S. Hecht, emphasized the necessity of opening the courses, especially the elementary banking course, to women because the Institute, as the educational section of the American Bankers Association, "must furnish education to all bank employees." He expressed the opinion that, for certain classes of work, women in banks had come to stay, but recognizing that it would be impossible to get unity of action among the chapters on the subject of admitting women to full membership, he recommended that women be admitted to the preliminary course, "and not as members of the Institute or as possible contestants for the Institute certificate."

Before the close of his administration, however, President Hecht changed his opinion on the matter of full membership. In his annual address at the Denver convention on September 17, 1918 he said: "After carefully weighing all the pros and cons of the question, I earnestly suggest that all chapters adopt a liberal policy on the subject and throw the Institute wide open to bank employees irrespective of sex, so long as they are capable and willing to avail themselves of the advantages and opportunities of our organization."

The Executive Council then presented the following resolution, which was adopted by the convention:

Resolved, That it is the sense of the Executive Council of the American Institute of Banking that women should be admitted to full membership in Institute chapters.

But the convention was to hear much more on the subject of women in banks and in the Institute—and from a bank woman, Mrs. Evelyn Aldrich, American International Corporation of New York. Her frank exposition of this controversial question brought the matter to a head and resulted in the establishment of a definite policy by the Denver convention. The following paragraphs from Mrs. Aldrich's address deserve a place in this record.

Considered as a part of the business world's machinery, I have not found that woman differs so very much from man. Capacity is not a matter of sex; it is a characteristic that belongs to the individual.

I am asked if woman is suited by temperament to banking. There is a type of woman suited to banking. You could not take all men and make bankers of them, nor could you expect to do that with women. If you would make efficient bank women you must choose them just as you choose men and then treat them in exactly the same manner.

You have asked women to come into the banks because you need their help. You need the best help they are able to give; you want their highest efficiency; and yet this Institute, the sole object of whose existence is to develop efficiency through education, denies or restricts or discourages that education to the very people whose efficiency you most need to develop.

Surely you must know, but whether you see it yet or not, we are entering upon a new era in civilization, an era in which the human race becomes one, undivided by sex. Down through all the ages woman has possessed these capabilities, but it took a great crisis like this to bring them out to recognition. And we do not unlearn what we have learned and go back to old customs. Woman will always be recognized hereafter, not as a class, but as a collection of individuals; she will be admitted to our circles, not by her sex, but by her capabilities; she will be measured, not by her weakness, but by her strength.

Following Mrs. Aldrich's address President Hecht appointed a special committee to study the question and bring in a report before the convention adjourned. The committee consisted of Mrs. Aldrich, Mrs. E. C. Erwin of New Orleans, Mrs. Bruce

Baird of Chicago, John H. Puelicher of Milwaukee, R. H. MacMichael of Seattle, and Carl H. Chaffee of Philadelphia. At the closing session on September 19 the committee submitted the following preamble and resolution, which were adopted by a practically unanimous vote:

Denver Convention Resolution

WHEREAS, The banks of the United States have been and, in increasing degree, will be faced with the necessity of employing women to carry on the work of banking, which necessity focuses the attention of this organization on the question of woman's place in the Institute and of the banks of the country upon questions, among others, of granting women equal opportunity and equal recognition; and

WHEREAS, Full consideration has been given to Mrs. Aldrich's able address before this convention, in which she stated that the best results for the banks can be secured and at the same time the earnest desire of the women can be met by treating them in exactly the same manner as men are treated and that in the matter of hours they desire no special consideration.

NOW, THEREFORE, BE IT RESOLVED, That it is the sense of this convention:

1st. That women be admitted into all the educational work of the several chapters in the knowledge that eventually full membership should be granted them; and

2nd. That the best interests of the banks and the women will be served by placing them on an exact equality with men in the work required and the recognition accorded them.

At the Executive Council meeting on September 19, following adjournment of the convention, James Rattray of New York suggested that wide publicity be given to the fact that women had been placed on an equal basis with men.

But while women had received this recognition as far as the national organization was concerned, the question of the kind of membership that would be available to them in the local chapters was still a matter for each chapter to decide.

It is interesting to note the response of the chapters to the

action taken at Denver, as shown in the chaptergrams for April 1919. The following comments were typical.

Attitude of Chapters on Membership Question

Baltimore: We decided to admit the ladies to full membership and active participation in chapter affairs with no limiting qualifications. There was hardly any discussion of the matter—it seemed the only thing to do and so we swallowed hook, line, bait and all. We are glad we opened the chapter to women and we look to the future for our justification.

Bridgeport: There are enrolled 125 men and 50 ladies, classes being held separately under different instructors.

Chicago: Through the courtesy of the officials of one of the local banks who have permitted us to use their employees' assembly room, it has been possible to establish two classes for women, both of which are well attended.

Cleveland: Three classes are being conducted this year in which women employees are admitted as honorary members.

Des Moines: At our first general meeting in September, we voted to admit women to full membership and have extended to them the same educational privileges as enjoyed by the men. Quite a number are attending the classes regularly.

Hartford: The girls of the banks have been admitted to associate membership. About twenty-five of them have joined and are enthusiastic members of the educational classes.

Kansas City: Our chapter has admitted the women clerks to full membership, and they are proving equal to the men in many respects.

Los Angeles: We have admitted women on an equality with men ever since our organization, and several of them are certificate holders. (The first women to acquire the certificate were two members in 1917.) While none of them have occupied offices yet, there is no reason why they should not do so. They

have certainly made the men hustle in the various classes, showing at all times an aptitude for study and an ability to master the problems presented. Those attending the public speaking class have shown decided ability as speakers.

Nashville: Both girls and men will be enrolled in all of the classes, as it is evident that the ladies will become a permanent factor in Institute work.

New Orleans: At the last meeting of our board of directors, an amendment to our articles of association was passed, recommending that the women bank employees be admitted to full membership in the chapter.

Washington: Classes are coeducational for the first time in the history of Washington Chapter. Women have been admitted to associate membership, and they are evincing the keenest interest in the work.

One year after the Denver convention went on record with reference to women membership, President J. C. Thomson, in his annual address at the New Orleans convention in 1919, reviewed the developments among the chapters during his administration. Figures compiled in the general office in New York, he said, showed that 18 chapters had granted women full membership, 27 associate membership, and 3 educational or other form of membership entitling them to educational facilities, while 20 chapters had submitted no report. As to results, he continued, some chapters were very enthusiastic over women members, particularly some of the smaller chapters that had been badly crippled because of the war and would not have been able to maintain their organizations without the admission of women as members; in other chapters women had been indifferent. Where the women had taken the educational work, they had made fine progress.

President Thomson then pointed out that the national organization made no distinction between men and women members since the basis of membership was subscription to the Bulletin. As members of local chapters, he added, they might be classified according to the wishes of each chapter.

The responsibility of working with the chapters on the matter of admitting women to full membership was assigned to the national membership committee. This committee carried on a constant campaign as a part of its regular activities, but for about three years very little information on the subject was reported through the pages of the Bulletin. In April 1922 President Robert B. Locke brought Bulletin readers up to date by stating that one by one the opponents of women in the Institute were being won over. There were still some who did not believe in admitting women to Institute membership, he said, but they, too, would eventually become convinced that the Institute had something for the women and that the women themselves had something to contribute to the Institute.

By January 1927 only three of the chapters then in existence did not admit women to full membership. Two of these chapters were won over within the next few years, but not until March 1942 did the last stronghold "for men only" surrender and grant women the privileges of full membership.

Educational and Other Activities 1917-1921

Some idea of how well the women responded when the educational advantages of the Institute were opened to them may be gained from noting the number who qualified for the standard certificate during the five-year period beginning in 1917, the first year that certificates were issued to women. It may also be of interest to compare this record with the first five-year period for the men, 1906-1910, although no conclusion is necessarily to be drawn from this comparison.

STANDARD CERTIFICATE HOLDERS

Year	Women	Year	Men
1917	3	1906	10
1918	8	1907	5
1919	17	1908	3
1920	50	1909	38
1921	28	1910	92

Women participated in other chapter activities during these years. In 1919 a prize contest was announced on the subject of courtesy. Mary P. Doyle of Omaha Chapter was the second prize winner, and Dorothy Ellis of Boston Chapter was rated fifth by the judges.

Josephine M. Parker was a member of the Los Angeles team in the annual debate at the Boston convention in 1920 between Los Angeles and Philadelphia chapters. Eva M. Swalley was the alternate on the Los Angeles team.

Women as Chapter Officers

From 1917 to the time this story is written, women have filled a varying number of chapter officerships each year. The following is a summary of such positions.

Office	First Elected	Number Elected in Any Year Lowest		Highest	
Secretary	1917	1917	1	1949	177
Treasurer	1919	1919	2	1944	55
Vice President	1921	1921	2	1944	45
President	1923	1923	1	1943	25

In addition, women have served on chapter committees, on chapter boards of governors, on national committees, and as associate councilmen.

Following the adjournment of the Boston convention in 1920, Mrs. E. C. Erwin of New Orleans Chapter and Helen D. Crowley of Hartford Chapter appeared before the Executive Council at a meeting held on June 17. Miss Crowley stated that a meeting of the women delegates had been held during the conven-

tion and that the attendance had been 100 per cent. She then suggested that some distinguishing mark be given the women who attend Institute conventions as delegates.

Origin of National Women's Committee

After Mrs. Erwin and Miss Crowley had retired, the council decided to make the committee appointed by the women delegates at the Boston convention a subcommittee of the program committee and suggested that the program committee arrange to have a morning set aside at the next convention for an informal meeting of the women delegates. Thus was the national women's committee started and the annual conference of women delegates authorized.

The chairman of the first women's committee, for the year 1920-1921, was Ida M. Henry of Utica Chapter. The women's committee was continued as a subdivision of the program committee during 1921-1922 under the chairmanship of Adeline E. Leiser of New York Chapter.

There is no record of the informal meeting of the women delegates at the Minneapolis convention in 1921, but a fairly complete report of the first formal women's conference, held at the Portland convention, is given in the July 1922 Bulletin. The following account is taken from the Bulletin report.

First Annual Women's Conference

The women delegates held a luncheon and business meeting at the Multnomah Hotel on July 17, 1922. The chairman of the women's committee, Adeline E. Leiser of the Williamsburgh Savings Bank of Brooklyn, New York, presided and the meeting was attended by eighty-two women. The program included the following features: address of welcome, by President Robert B. Locke; reports of the women's meetings at the Boston and the Minneapolis conventions, by Dorothy Fox of the Hartford Connecticut Trust Company, Hartford; a reading of interesting comments from chapter presidents, by Isabel R. Trowbridge of

the New York State National Bank, Albany; the report of the women's committee, by Miss Leiser; a talk on The Management of a Women's Department in a Western Bank, by Jule M. White of the Bank of Italy, San Francisco; a talk on The Management of a Women's Department in an Eastern Bank, by Ida M. Henry of the Citizens Trust Company, Utica; and a talk on Opportunities for Women in the Financial World, by Mrs. Mary M. Miller of the Mechanics & Metals National Bank, Kansas City. The program was followed by a general discussion and the laying of plans for the ensuing year. Miss Trowbridge was chosen chairman of the women's committee for 1922-1923. Adjournment "terminated the most enthusiastic and successful meeting the women of the Institute had yet held."

In 1922 the women's committee was made an independent committee of the Institute, and ever since that time the women have held a conference at the annual convention with the exception of the war years 1943, 1944, and 1945, when the program of the annual meeting was on a restricted basis.

The Institute's decision to "go coeducational" proved to be both wise and foresighted, for since that decision was made, there has been an increasing tendency to employ more women throughout the whole business world. Moreover, as they have learned the techniques and the policies of business and of banking, they have also learned to assume burdens of responsibility and to make executive decisions, with the result that promotional recognition has come their way. Given an equal opportunity, which was what they asked for, they have earned their "place in the sun," not as women but as human individuals eager to do their share of the world's work.

XXI

Building a More Effective National Administration

LET US go back a few years and examine the broader aspects of Institute growth following the Providence convention. Prior to 1908 there had been a definite lack of understanding between the chapters and the national administration; neither group had seemed to comprehend exactly what the other was trying to accomplish. Was the gap entirely closed when the elected representatives of the chapters took over the reins of government? Was there a definite concept of what the proper relationship of the chapters to the Institute should be? Was that relationship being strengthened with the passing of years? In seeking answers to these questions, we must review certain situations that existed from 1908 to 1916.

First, the constitution adopted at Providence in 1908 provided for the election of a secretary and a treasurer of the Institute. Exactly what the duties of these officers were is not clear from the records. The secretary had no direct relationship with the general office in New York, and his activities apparently were confined to minor duties in connection with the annual convention. The only funds handled by the treasurer consisted of a small amount of money received from the dues of Fellows. The greater part of Institute funds necessarily was handled by the educational director in connection with publication of the Bulletin and collection of tuition fees from correspondence students, since these funds could not easily be handled outside the city where the general office was located.

Administrative Machinery Prior to 1916

As early as May 1909, E. A. Havens of Providence raised the question whether the interests of the Institute would not be advanced by abolishing the office of treasurer and appointing some financial corporation in New York to handle the funds of the organization. It was not until 1914, however, that this suggestion was acted upon by the amendment of Articles VII and X, making the treasurer and the secretary appointees of the Executive Council.

Second, the constitution in effect before 1914 provided for the election of a chairman and a vice chairman of the Executive Council each year "from members thereof other than the president and vice president." The constitution as amended in 1914 omitted the words "other than the president and vice president." The amendment of section 9 in 1916 abolished the offices of chairman and vice chairman, thus eliminating unnecessary administrative machinery.

From 1908 to 1914 the Executive Council as a whole was a relatively inactive body. The president of the Institute and the chairman of the Executive Council handled practically all the administrative details in cooperation with the educational director. There was almost nothing for the vice president and the vice chairman to do. The Executive Council met only once a year, at the time of the annual convention, and there seems to have been little business transacted by mail before 1914 aside from the annual election of Fellows.

By action of the Executive Council on July 26, 1908, the educational director was authorized to form new chapters in cities where he thought they should be organized. There is nothing in the records to indicate that the members of the council were given any direct responsibility in the matter of organizing and supervising chapters until 1916. The evidence, in fact, points

the other way, judging from discussions carried on through the pages of the Bulletin. In the April 1909 issue, for example, E. A. Havens commented on the problem of small chapters and suggested that this might be a field for the efforts of the council members.

> It is my belief that an oversight of these small chapters by members of the Executive Council located in their vicinity would do much to keep them together and to give them encouragement. If a member of the Executive Council visited these chapters he would frequently come in contact with their officers and would be able to keep in touch with the needs of the chapters and to advise them concerning their course in any matter in which they might be interested.

In the May 1909 issue, an article by S. R. Harrington (undoubtedly a pseudonym of George E. Allen) offered this countersuggestion:

> Mr. Havens is right in theory but can the members of the Institute Executive Council devote the necessary time to properly supervise small chapters and who would pay their traveling expenses? Would it not be better to make up some sort of Institute extension committee composed of Institute members who travel for banks and thereby utilize without cost to the Institute some of the best personal assets that it possesses? Several such bank traveling men have been doing Institute promotion work in an informal way. There is already a committee on publicity and promotion. Why not enlarge this committee, giving it a more specific name, and turn it loose in the limitless field of Institute extension?

An article by the educational director in the August 1909 Bulletin, highlighting the Seattle convention, made further reference to the problem:

> The subject of small chapters as well as large ones was given much careful attention and the Institute put itself on record as favoring the organization of new chapters in cities wherever the educational spirit is manifest. To promote such work the president of the Institute was
> ' ' ' ' authorized and directed by the Executive Council to appoint a com-

mittee on Institute extension, whose duties shall be not only to visit existing chapters but to assist in the organization of new chapters wherever there seems to be reasonable prospect of their success. The extension committee will work in cooperation with the educational director in the prolific feat of furnishing suggestions and inspiration for chapter work. The growth of the Institute has made it impossible for the educational director to visit all or even a majority of chapters and the theory of the extension committee is to utilize Institute members who travel for banks to aid in such work without material expense to the national organization.

How many years an extension committee was appointed cannot be determined from the records. The names of the committee members were announced in the official publication only for the year 1910-1911.

The constitutional amendments of 1914 and 1916 resulted in a number of changes designed to increase the effectiveness of the governing body as well as to strengthen the Institute in its educational work. The chief purpose of this chapter is to trace the steps taken to bring these changes about, but first it is necessary to consider briefly the relationship of the chapters to the national organization.

Relationship of Chapters to the Institute

William M. Rosendale of New York, in his report as chairman of the Executive Council at the Dallas convention in 1914, stated in broad outline his concept of this relationship.

> The Institute is an organization of individual chapters and implies the maintenance of proper equilibrium between chapter sovereignty and Institute centralization. The Institute should prescribe uniform courses of study and maintain universal standards of education, but chapters should possess sufficient self-government to develop the administrative ability and self-reliance of their own members. What the Institute should do for chapters, what chapters should do for the Institute, and what chapters should do for themselves cannot be determined arbitrarily, but the existence of individual as well as mutual rights and responsibilities should be fully appreciated.

E. G. McWilliam, in his first presidential message to Institute members through the pages of the November 1916 Bulletin, dealt with the question more specifically.

> There is a grave danger that the members of some chapters who have not caught something of the real spirit of the Institute, either through attendance at conventions or visits to other chapters, will gradually come to feel that their particular chapter *is* the Institute and will either become discouraged if their work does not flourish as they had hoped or will feel that they are "sufficient unto themselves," if the work proves unusually successful in their city. If every one of our members could only realize the bigness of the Institute—that he is but one of more than eighteen thousand members, all striving for the same thing, and that out of the multiplicity of individual effort comes the aggregate result by which the Institute stands or falls, I am sure that those who become discouraged would take on new courage because they are contributing something, no matter how little, to the total result, and those who are achieving much would take a new pride in their achievements because of the satisfaction of assisting in a great movement and the joy of comradeship in that work.

Steps Taken by the Administration

In the growth of the Institute following the Dallas convention, steps were taken to strengthen the national administration along three general lines: more effective organization for conducting the educational work, increased efficiency of national officers and council members, and development of an effective national committee organization. All these changes had a direct bearing on the relationship of the chapters to the Institute.

Rapid strides toward the administration's objective were made from 1914 to 1916. An inkling of the probable reason for this impetus to Institute development was given by Robert H. Bean in his address at Cincinnati on September 20, 1916.

> The commanding position of the Institute of today is not the result of the efforts of any single administration. To no one group does the honor belong, and no one can say that his share was more than to conserve that which had been passed to his keeping as a heritage and

to so direct the affairs during his period that the plans initiated by his predecessors should be smoothed out, perfected, and passed on for more scientific use by his successor.

Mr. Bean's successor in office, E. G. McWilliam, expressed the same thought somewhat more personally in these words:

This is not *my* administration; it is *yours,* as every other year of Institute work has been. The president is simply an incident; here today, gone tomorrow, but the Institute goes on forever, increasing its usefulness through the individual efforts of its members.

ORGANIZATION FOR EDUCATIONAL WORK

Board of Regents

The first steps toward developing a more effective national administration, designed to enlarge the organization for conducting the educational work, were taken at the Dallas convention in 1914. One of the important amendments to the constitution at that convention was the addition of an article providing for the establishment of a Board of Regents, as follows:

Article III. The educational work of the Institute shall be under the general supervision and subject to the approval of a Board of Regents consisting of (1) two professional educators; (2) two practical bankers; and (3) the Educational Director of the Institute. The members of the Board of Regents thus constituted shall be appointed by the Executive Council of the Institute and serve during the pleasure of said Council.

The Executive Council appointed H. J. Dreher, William S. Evans, and George E. Allen a committee to nominate suitable persons to serve as regents under Article III. Early in December 1914 the committee submitted the following names to the council by mail:

Professional educators—O. M. W. Sprague of Harvard University and E. W. Kemmerer of Princeton University

Practical bankers—C. W. Allendoerfer of Kansas City and H. J. Dreher of Milwaukee.

In presenting the committee's report, Mr. Dreher stated that he "concurred in the nomination of Messrs. Sprague, Kemmerer, and Allendoerfer." The report was approved by a mail vote.

Changes in the personnel of the board were made from time to time as members found it necessary to resign. A complete list of the members, giving the terms of their service, is included in Appendix VII. The work of the Board of Regents is described in the next chapter.

Assistants to Educational Director

The constitution adopted at the Providence convention in 1908 authorized the Executive Council to appoint an educational director "and such other employees as may in their judgment be necessary, to serve during their pleasure." For five years Educational Director Allen conducted the general office in New York with the help of a small clerical and stenographic staff, supplemented by a force of examiners on a fee basis for the correction of correspondence students' work and the grading of final examination papers.

In 1913 the Executive Council decided that the increasing volume of work was placing too great a burden on the shoulders of one man; therefore, at a meeting on September 19, 1913 it voted to create the office of assistant to educational director. A council committee, consisting of H. J. Dreher, C. W. Allendoerfer, and L. H. Woolfolk, was appointed to select candidates for recommendation to the Executive Council at its next meeting. A year later, Mr. Dreher reported that two of the candidates selected had withdrawn, leaving O. Howard Wolfe the only nominee. By official action Mr. Wolfe was appointed assistant to educational director on September 21, 1914.

The choice of Mr. Wolfe was a logical one in view of the fact that, as secretary of the Clearing House Section of the American Bankers Association, he had a close relationship with the Insti-

tute staff. Furthermore, for three years he had been serving as examiner for the course in Banking and Finance, and his experience in that capacity had given him a practical knowledge of the educational needs of young bankers. Mr. Wolfe's assistantship was on a part-time basis since he retained his position with the Association.

At a council meeting on September 24, 1914, immediately following adjournment of the Dallas convention, George E. Allen was appointed secretary of the Institute, thus combining the offices of educational director and secretary, O. Howard Wolfe was made assistant secretary, and the cashier of the Corn Exchange Bank in New York City was appointed treasurer of the Institute. Before that time, the secretary and the treasurer had been chapter members elected at the annual convention.

Mr. Wolfe resigned his positions with the Institute and the Association in June 1915 to enter the employ of the Philadelphia National Bank as assistant cashier. When the Executive Council met in August, the chairman announced that there had been insufficient time to select suitable candidates for the vacated office. Hence the council authorized the retiring president, William S. Evans, and the incoming president, Robert H. Bean, "to take such action as might in their judgment be expedient" in connection with the appointment of a man to replace Mr. Wolfe. Under this authorization, Milton W. Harrison, then secretary of the Savings Bank Section of the American Bankers Association, was appointed assistant to educational director and assumed his duties, on a part-time basis, October 1, 1915.

At the Executive Council meeting in 1916, Mr. Allen stated that there had been discussions among several members of the council in regard to reorganization of the general office in New York and that, at their request, he had drafted the following

preamble and resolutions embodying the substance of the discussions:

WHEREAS, The extent and character of Institute educational work thus far accomplished, both in city chapters and the Correspondence Chapter, are, in the judgment of this Executive Council, an indication of further growth in both such directions;

WHEREAS, The policy of the Institute should be sufficiently comprehensive and definite to provide for years to come;

RESOLVED, Therefore, that it is the sense of this Executive Council that the general office of the Institute should be reorganized so as to provide for (1) an educational director as now constituted, (2) an assistant to the educational director, who shall perform the duties of executive clerk and also be qualified to participate in the extension and supervision of city chapter work, (3) an assistant to the educational director, qualified to participate in the extension and supervision of educational work among country banks;

RESOLVED, That it is the sense of this Executive Council that the policy thus described should become effective when financial and other circumstances shall permit.

After some discussion the council adopted the resolutions as drafted.

The Executive Council evidently felt that the Institute was justified in employing another assistant for Mr. Allen immediately, and Richard W. Hill was appointed assistant to educational director on a full-time basis, with the understanding that he would be permitted to continue the work of examining papers for the Correspondence Chapter in the subject of Commercial and Banking Law. He took office December 1, 1916.

Mr. Harrison resigned his positions with the Institute and the Association early in October 1919, to become executive manager of the Savings Banks Association of the State of New York. His resignation as assistant to educational director was accepted by the Executive Council on October 6, 1919, but no steps were taken to fill the position.

Amendments to By-Laws

Two proposed amendments to the Institute by-laws were published in the July 1919 Bulletin, one relating to membership and the other affecting the appointed officers of the Institute. An article accompanying the proposed amendments explained that the change in section 3 would make bank officers and other employees outside the jurisdiction of city chapters eligible for membership in the Correspondence Chapter. Under the existing section, members of the Correspondence Chapter were limited to graduates and students, and the change, it was thought, would bring into the Institute a number of bankers who might be unable or unwilling to participate actively in the educational work. In other words, the rule regarding eligibility for membership in city chapters would apply to the Correspondence Chapter.

It might be well to state here that the word membership had been construed by the Institute convention to include "active," "associate," "auxiliary," "honorary," and "any and all other classes of members which pay dues to a local chapter."

The proposed amendment of section 9 would create the office of secretary of the Institute and would make this office coordinate with that of educational director. Under this section, if amended, the secretary would be the business manager of the Institute, and the educational director would be responsible for the character and conduct of the educational work.

The proposed amendments were presented to the Executive Council on October 6, 1919, and on the recommendation of the council they were adopted by the New Orleans convention on October 8. Sections 3 and 9 as amended appear in Appendix VI.

At the Executive Council meeting on October 9, following adjournment of the convention, Richard W. Hill was appointed to the newly created office of secretary, relinquishing his title of assistant to educational director.

MORE EFFICIENT GOVERNING BODY

Chapter XVI closed with the statement that in 1916 the Institute's foundations were sturdy enough to support a weightier and more effective administration. On the foundations laid by the constitutional amendments of 1912, 1914, and 1916, succeeding administrations erected first a framework and then a solid edifice in the years from 1915 to 1927. From a governmental point of view, these years represented a period of tremendous building.

President's Correspondence with Chapters

When President Robert H. Bean outlined the plans of his administration for the year 1915-1916, he made the statement that it was proposed "to initiate a correspondence to secure the exchange of ideas which would be beneficial to the large as well as the small chapter." In his address at the Cincinnati convention in 1916 he reported on the correspondence project as follows:

> It has been felt for a long time that something should be done to bring the small chapter into closer touch with its larger brother. Problems which faced the smaller groups were in many respects those to be found in other cities. The presidents were urged to state their difficulties and to report on experiments which they had tried and found worthy of adoption. Passing these on to other presidents was a task which not only interested the Institute president himself, but also created a desire on the part of the chapters to prove helpful to each other. Over one thousand pieces of mail were exchanged in this undertaking, but it has been well worth the effort, as it has added much to the year's success in many of the chapters. If the chapter presidents can be convinced of the value of giving expression to their thoughts on chapter administration and are willing to relate for the benefit of others the progress of affairs in their own organizations, we will come nearer, by this exchange of ideas, to accomplishing the results for which the chaptergram was originally founded.

Six years later found President Robert B. Locke carrying on his correspondence with chapters under somewhat greater difficulties, as this excerpt from his annual report in 1922 reveals:

One of the greatest problems of the national administration is that of convincing chapter administrations that they are part of a great national organization and that they have responsibilities extending beyond the confines of their own individual chapters. Your president felt that perhaps the chapters could be brought closer to the national administration through a series of letters at regular intervals. Three of these letters were addressed to chapter presidents. Altogether 264 letters were written and 68 replies were received—26%. This same inattention to correspondence exists in the relations between chapter presidents and chairmen of national committees and the general office in New York. The Institute has attained its position of influence in the banking world largely as a national organization and I cannot exaggerate the importance of chapter officers cooperating in every way with the national officers to the end that the national organization may function with the greatest possible efficiency.

Chapter Visitations by President

In 1917-1918 President R. S. Hecht inaugurated chapter visitations on a much larger scale than had been the practice before that time. At the beginning of his administration he expressed the hope that each chapter in the United States would be visited at least once during the year by one of the national officers, and he stated that he held himself in readiness, so far as possible, to answer any call he might receive from any chapter where his presence was really needed. "I have found in my experience," he said, "that nothing will so stimulate the interest of the smaller chapters as an occasional visit from a national officer of the organization, and the problem of keeping the smaller chapters alive and interested is a particularly serious one at this time."

Again a precedent was set for succeeding administrations to follow, and again we quote President Locke on his experience in this connection. The following is an excerpt from his annual address at the Portland convention.

For several years past it has been customary for the national president to visit a very large percentage of the chapters. When the present administration took office one of the first things given consideration

was the matter of chapter visitations. The advantages and disadvantages were carefully weighed and it was decided that if the precedent of requiring the president to visit a large number of chapters during his term of office, requiring absence from his own office for long periods, were continued, not only would the duties of president necessarily be neglected but it is very possible that the Institute would be deprived of the services of some of its most valuable men through their inability to accept the office for the reasons noted. Your president has therefore this year visited about one-third of the chapters and if this policy is followed out by my successors, each chapter will be visited once every three years, which I firmly believe is a satisfactory interval.

Office of Vice President

Until 1918 the office of Institute vice president was practically an empty honor. In no year from 1908 through 1917 did this officer succeed to the presidency. Since the president was the active administrative officer and the vice president had no assigned duties, there was little he could do to make himself useful to the organization. Concern over this situation was first expressed by President McWilliam. In his report at the Chicago convention in 1917 he said:

> I desire to present for your consideration the desirability of another year establishing the precedent of electing our vice president to the presidency. On several occasions a candidate for the vice presidency has been found only at the last minute and after earnest solicitation. By selecting the man for vice president whom you desire for president you give him an opportunity to gain some experience in Institute management before he assumes the presidency, and I am sure both the man and the Institute would gain in efficiency by such an arrangement, which is customary in the American Bankers Association and each of its other sections.

When R. S. Hecht, the incoming president, made his committee appointments following the Chicago convention, he placed the committee on public affairs under the chairmanship of Vice President J. C. Thomson. This was a particularly important assignment at that time since much of the work of the

committee would be carried on in connection with the various liberty loan campaigns.

The convention followed the suggestion of E. G. McWilliam and set a precedent by electing Mr. Thomson to the presidency in 1918. President Thomson's comments on this policy, expressed in his annual address at the New Orleans convention in 1919, are of special interest because he spoke from experience.

> The change whereby the vice president was given a responsible position in the organization and this office no longer considered a "shelf" position is a fine improvement. The administrative duties as head of the Institute are of such character and require so much time that there is room for an active president and vice president. Further than that, without attempting to say anything which might influence the election, it is the judgment of your president that a vice president who has had the experience pertaining to that office and has made good is the best possible material for president.

Let it be sufficient here to say that from 1918 to the time this story is written the Institute vice president has always succeeded to the presidency by election.

Assignment of Chapters to Executive Councilmen

Of even greater importance than the innovations just described, from a long range point of view, was the increased efficiency of the Executive Council. Its period of relative inactivity as a body ceased in 1916 when, for the first time in Institute history, chapters were officially assigned to members of the council for supervision. The assignments appeared in the November 1916 issue of the Bulletin, accompanied by President McWilliam's explanation, as follows:

> With a view to making the Executive Council a truly executive body, I plan to divide the chapters of the Institute into groups conforming as nearly as practicable to the Federal Reserve districts, with a member of the Executive Council in charge of each district. Each member of the council will be requested to keep in close touch with the chapters in his district and will secure from them monthly reports for purposes of

interchange of ideas among all chapter presidents according to the plan so successfully inaugurated by President Bean. It will also be the duty of each councilman to assist in furthering the correspondence work in the states in his district and possibly to visit certain chapters as suggested by the educational director.

The monthly reports of the executive councilmen were published in the Bulletin in condensed form from January through June 1917. Nine councilmen had reports in the January issue, with all but five of their chapters reporting. Seven councilmen, including the three who had no reports in January, reported in the February issue. All the councilmen reported in the March, April, May, and June issues. Beginning in March the condensed reports were arranged as follows: chapter, members (total), changes (plus or minus), standard classes (name of course or courses being offered), and a wide variety of activities under the head of miscellaneous.

The plan adopted by President McWilliam was followed by his successor, R. S. Hecht, who made his assignments of chapters early in his administration and notified each chapter president of the councilman to whom reports should be submitted. Instead of monthly reports, President Hecht asked for only three reports: one to be made at the beginning, one about halfway through, and one at the end of the educational year.

While the method of carrying on this important duty of executive councilmen has been changed since 1918, the assignment of territory still remains the first order of business of the incoming administration each year.

On taking office in July 1922, President Carter E. Talman commented on the duties of executive councilmen as follows:

Executive councilmen have a job as well as a badge. They form the governing body of the Institute. The more they do, the better satisfied

they will feel. If they will keep well informed as to the activities of chapters in their districts and in an acceptable manner assist such chapters to function properly, if they will cooperate in the organization of chapters where needed, if they will come to our midyear council meeting with something to report—in short, if they will remember that they are part of the administration and responsible for its accomplishments—then they will enjoy the Cleveland convention next year.

Midwinter Council Meeting

For fourteen years the Executive Council of the Institute met only once a year despite the fact that there were those on the governing body who felt that another meeting would be desirable. As early as 1914 William M. Rosendale, in his report as chairman of the council at the Dallas convention, expressed the thought that the interests of the Institute would be served by a meeting of the Executive Council in the spring as well as at the time of the Institute convention. He admitted that an additional meeting would require some change in the method of paying the expenses of councilmen in attending these meetings, but he was of the opinion that ways and means of making a spring meeting possible should be considered.

Whether the suggestion was given serious consideration at the time and was dismissed for financial reasons cannot be determined from the records. There is no mention of the subject in the Bulletin or in the minutes of the council meetings until 1922, when President Locke urged that a midwinter meeting be held. The matter was taken up by the incoming council in July 1922, and as a result the first midyear meeting was held at St. Louis April 3 and 4, 1923. In his annual address at the Cleveland convention in 1923, President Talman explained that if the council was to function as the executive body of the Institute, there would have to be a midyear meeting at which it could deliberate at some length and not be pressed by the lack of sufficient time and other considerations so unavoidable at convention times.

At the Executive Council meeting on July 20, 1923, there was discussion regarding the time of holding the midwinter meeting, and the last week of January or the early part of February was decided upon, the exact date and the selection of the place to be left to the decision of the president and the secretary.

Budget Committee

The next innovation affecting the council came at the annual meeting in July 1925 when the appointment of a budget committee was authorized, to consist of three councilmen, with the president and the vice president ex officio members. This was the first council standing committee. At the midwinter meeting in January 1926, the committee appointed by President Bruce Baird presented a proposed budget for 1925-1926, and the budget was adopted.

Advisory Committees for Councilmen

One other innovation designed to increase the effectiveness of the Executive Council as a body was proposed during the period covered by this chapter of the Institute story (1908-1927). At the midwinter meeting in January 1927, Vice President Williams stated that progress would probably be made in the organization of group study classes if each councilman were permitted "to nominate an advisory committee composed of experienced men to assist him in his district." Vice President Williams explained that the actual appointments, of course, would be made by the president of the Institute, and he read parts of correspondence he had had with Past President Clarence R. Chaney on the subject in 1924.

The suggestion of advisory committees for executive councilmen met with general approval, and the council decided to select certain states in which the plan might be tried out during the coming year. Each councilman was asked to analyze his district and come to the Detroit meeting of the council with definite prospects for chapters and study groups in mind.

From this idea of advisory committees there eventually emerged the practice of appointing associate councilmen.

Candidates for National Office

At the Denver convention in 1918, President Hecht made the recommendation that, in electing members of the Executive Council in the future, close attention be paid not only to their general qualifications but also to their geographical distribution. He pointed out that with twelve council members exclusive of the officers, there was no good reason why "we could not make it an unwritten law that hereafter each Federal Reserve district shall have one member on the council, provided there are at least three chapters in that district."

"Such a plan," he said, "may occasionally interfere with the ambitions of some individual members, but it will certainly prove beneficial to our organization in the long run, because it will make it easier for at least one member of the national administration to keep in close personal touch with every chapter in the country and thus have each chapter visited at least once a year."

On the subject of candidates for national office President Thomson had this to say in his address at the New Orleans convention in 1919:

> There is no question but that one of the functions of the Institute is to develop the character and all around ability of its members. A healthy interest in the competition for offices open in the national organization, which necessitates advertising and campaigning on the part of those interested in advancing their candidates, is a good thing. It stimulates interest in the organization and develops organizing ability. Besides this, it enables the Institute to get the best men available for its various offices. For that reason every chapter, no matter how small, should seek to secure recognition for the men who have given faithful and efficient service in their local chapter by placing their names in nomination for positions in the national organization.
>
> The suggestion of some of our members that the Institute should only recognize those candidates whose names have been submitted by

the chapters in advance of the annual convention, so that the Institute as a whole may have an opportunity to pass on their merits before coming to the convention, is a splendid one. Furthermore, the unwritten rule which bars any person who has not received a certificate from holding an office in the national organization increases the value of the Institute's certificate and insures the securing of men who are familiar with the Institute's study courses.

Amendments to Institute By-Laws

Proposed amendments of sections 3, 6, and 7 of the Institute by-laws were published in the April 1921 Bulletin. The proposed amendment of section 3 would increase the cost of the Bulletin to chapter members from fifty to seventy-five cents. "For the past two years," the explanation stated, "the Bulletin has been and still is operated at less than cost. As a matter of good business administration, the Bulletin should be on a paying basis."

The amendments of sections 6 and 7 would make possession of the Institute certificate a requirement of candidates for national office. The introductory paragraph read: "For many years it has been unwritten law in the Institute that none but holders of the Institute Standard Certificate shall be eligible for national office. At the chapter presidents conference held at the Boston convention the chapter presidents passed a resolution recommending that this unwritten law be made a part of the Institute by-laws and thus become written law."

The proposed amendments were approved by the Executive Council and were recommended to the Minneapolis convention for adoption. The report of the council was presented at the first session on July 19, 1921 and the amendments were adopted as read. The amendments of sections 3, 6, and 7 appear in Appendix VI.

Two proposed amendments affecting the Executive Council were published in the April 1925 Bulletin. The explanatory paragraph stated that several times in the history of the Institute,

members of the council had resigned or had left the banking business or in some other way had become ineligible to continue as members of the governing body. The purpose of the proposed new by-law, to be numbered 8, was to give the president, with the written approval of a majority of the Executive Council, the authority to appoint a member of the Institute to fill a vacancy until the next annual convention, when a member would be elected to fill the unexpired term.

Provision for Filling Vacancies in Council

The amendment of section 9 (old section 8) would provide officially for the midyear meeting which the Executive Council had been holding for several years.

At the Kansas City convention in 1925, the national secretary read the recommendation of the Executive Council that the proposed amendments to the Institute by-laws be adopted, and the convention adopted them as read.

At a number of conventions there had been no contest for national office, and for some time the Executive Council had been considering ways and means of fostering interest in the annual elections. A council committee, therefore, had been appointed to consider the problem and report its recommendations. The committee's report, presented to the Executive Council in July 1925, recommended the adoption of an amendment to the by-laws providing for the appointment of a nominating committee of three council members "for the purpose of securing the nomination of suitable candidates for every office to be filled at each annual convention." The amendment contemplated the nomination of twice as many candidates as there were vacancies for each elective office.

Provision for Nominating Committee

Another proposed amendment was necessary to bring the Institute by-laws into conformity with a change in the by-laws of the American Bankers Association by which the authority to

appoint all employees of divisions and sections was vested in the executive manager of the Association.

The new by-law and the amended by-law, numbered 8 and 10 respectively, were reported to the convention at Dallas in 1926, with the approval of the Executive Council, and the recommended amendments were adopted.

STATE CHAPTERS

Among the committees appointed by President Hecht in the fall of 1917 was a special committee on state chapters, the chairman of which was James H. Daggett of Milwaukee. This committee was asked to consider the plan of organizing state chapters as a means of promoting Institute work through the study class and the correspondence methods of instruction outside the jurisdiction of city chapters.

Much interest in the possibilities was aroused in Wisconsin, and a meeting attended by nearly a hundred young bank men and women was held in Milwaukee in October. The outcome was the organization of Wisconsin State Chapter on October 18, 1917. The Bulletin account of the proceedings commented: "The father of the new child is the national organization of the Institute. Its mother is the Wisconsin Bankers Association. The officiating physician at the advent was George D. Bartlett, secretary of the Wisconsin Bankers Association. The nurses in attendance were James H. Daggett, chairman of the Institute committee on state chapters, and Wall G. Coapman, assistant secretary of the Wisconsin Bankers Association. George E. Allen, educational director of the Institute, was present as an interested observer."

The report of the committee at the Denver convention in 1918 recommended that state chapters be organized, whenever possible, in conjunction with state bankers associations, since these

associations provided "an existing organized medium for the propagation of Institute work and a ready means of coming in touch with prospective members."

Five state chapters in addition to Wisconsin State Chapter were organized: Oklahoma in 1918, Michigan and Texas in 1919, and Illinois and Minnesota in 1920. These five chapters were short-lived, and all had passed out of existence by the end of 1926, leaving Wisconsin State the lone representative of that form of organization. That this chapter has survived has been due largely to the efforts of Wall G. Coapman, who, in addition to carrying on the heavy duties of his own office as secretary of the Wisconsin Bankers Association, has given his unselfish personal supervision to the work of the state chapter for more than twenty years.

NATIONAL COMMITTEE ORGANIZATION

Prior to 1914 the national administration had the assistance of only a few committees. Several of them were of limited duration and were appointed for specific purposes more or less temporary in nature: educational committee in 1908-1909, textbook committee in 1909-1910, committee on correspondence instruction from 1911 to 1913, and committee on post-graduate education from 1911 to 1915. Publicity was the only standing committee from 1908 to 1913, aside from program and transportation, which were purely convention committees.

The year 1913 witnessed the beginning of more effective committee activities. The elimination of the Fellows class in 1914 gave impetus to this development because it released hitherto latent energy for use along constructive lines.

The first step forward in committee work came during the presidential term of Byron W. Moser. In the belief that a special

National Committees

meeting of chapter presidents to discuss the best methods of conducting a chapter would prove beneficial to both national and local organizations, he appointed William A. Nickert, president of Philadelphia Chapter, "a committee of one" to make arrangements for a conference of chapter presidents to be held at the Richmond convention in 1913. "One object of our convention," he said, "is to discuss matters of mutual interest, and there is no question but that the conference of chapter presidents will result in much good. It is hoped that sufficient stress will be laid on the point of minimizing social activities, especially when they interfere with the purpose of the Institute."

The following year President Dreher appointed a committee on chapter presidents conference consisting of five members, and from that time on such a committee, with variations in the number of members and some changes in name, was appointed annually.

The committee on chapter presidents conference was the beginning of a long list of Institute committees that have come to occupy an important place in the structure of the national organization. The public affairs committee was added in 1913. The debate committee was launched in 1914, and the scope of its activities was enlarged in 1915 to include public speaking. The membership committee was started on its way in 1916.

Stewart D. Beckley inaugurated three new national committees in 1920: forum, departmental conference, and women's. In 1924 Edwin V. Krick introduced the public education committee. With the addition of the publicity committee, the scope of whose activities had been greatly enlarged, there were nine standing committees in the national structure in 1924 plus two convention committees. This national committee set-up remained unchanged for many years.

Beginning in 1921 and for years afterward, it was the established practice for the non-convention committees to consist of twelve members besides the chairman, one member for each of the twelve Federal Reserve districts.

In addition to the standing committees, from 1915 to 1920 a number of temporary committees were appointed by the various Institute presidents for specific purposes: thrift work, 1915-1916; military instruction, 1915-1918; state chapters, 1917-1918; trade acceptance, 1917-1921; chapter survey, 1918-1919; correspondence schools, forms, chapter presidents manual, and alumni, 1919-1920; cooperation of bank officers, 1920-1921. The personnel varied from a minimum of five for correspondence schools to a maximum of eighty-five for trade acceptance. By the end of the year 1921 all these special committees had served their purposes and had been discontinued.

Committees were an important vehicle for expanding the Institute's usefulness. They served to strengthen the relationship between the national organization and the chapters, and it was to a large extent through their efforts that the Institute was able not only to hold its own but even to give a surprisingly good account of itself during the difficult period of World War I.

The work of a few of the special committees is touched upon in this chapter. The work of the standing committees is briefly described in subsequent chapters of this story.

Policy Regarding Committee Appointments

From 1908 to 1916 it was customary to make committee appointments from among the more prominent Institute workers. That meant, of course, that for the most part only the larger chapters were represented on national committees and that the same men were called upon to serve the Institute in this manner time after time. This policy was changed by President E. G. McWilliam on his election in 1916. In discussing the opportunities

for effective work during his administration, he made the following comments about his committee appointments:

> In appointing committees this year it will be my policy to have the chapters of the Institute more generally represented in national affairs, believing that only through enlisting the active interest of representative Institute men in all sections of the country may we develop that cooperation among chapters so necessary to our success as a whole. I am especially anxious that the smaller chapters shall have a larger part in our affairs, and if necessary shall enlarge committees to that end. In order to accomplish this, it may be necessary to omit from committees the chapters now represented on the Executive Council, but I am sure with a clear understanding of the object to be attained, all will cooperate.

President Hecht, in 1917, stated his policy somewhat more forcefully and helped to establish a desirable precedent.

> In making appointments for the current year the administration has eliminated practically all of the men who have done active and valuable work in the national administration for many years past, and has drawn liberally from that large number of junior officers and senior clerks whose activities in national affairs are of a more recent date. This change of policy is not due to any lack of appreciation of the valuable services rendered by these older men, but is based on a conviction that it is for the best interests of our organization that as many of our members as possible should be given the opportunity of rendering service to the national organization.

Carter E. Talman, in 1922, concisely stated what he considered the proper attitude of committee members to be: "Appointment on committees should be looked upon as a call to action. All of us are busy, but none is too busy to do his duty; so let's not have a lot of unnecessary correspondence. You are notified of your appointment, you accept, your chairman tells you what he expects of you, and you do it. Simple, isn't it?"

The purpose of the committee on thrift work, appointed by President Bean in 1915, was to cooperate with the Savings Bank

Special Committees

Section of the American Bankers Association in the celebration of the centennial of savings banks. Throughout the year thrift campaigns were carried on by the larger chapters under the direction of Milton W. Harrison, secretary of the Savings Bank Section. The culmination of the work was a symposium on thrift at the Cincinnati convention of the Institute in 1916, under the chairmanship of E. G. McWilliam.

The trade acceptance committee was appointed for four successive years beginning in 1917. Its purpose was to cooperate with the American Trade Acceptance Council in promoting the use of the trade acceptance. In addition to a general committee of three members, there was a special committee of varying personnel in each Federal Reserve city.

Early in his administration President J. C. Thomson appointed the chapter survey committee, whose duty it was to conduct a survey of conditions in the Institute generally and in the local chapters particularly and on the basis of its findings to make recommendations to the Executive Council. The report, including twenty-eight recommendations, was presented to the council on October 6, 1919. The council discussed the report thoroughly, approved it with certain exceptions, and directed that it be referred to the chapter presidents conference for discussion. The proceedings of the conference, including the complete report of the chapter survey committee and the discussions based on it, were published and sent to all chapter presidents for their information and guidance, with the idea of promoting a greater degree of uniformity in the operation of local chapters.

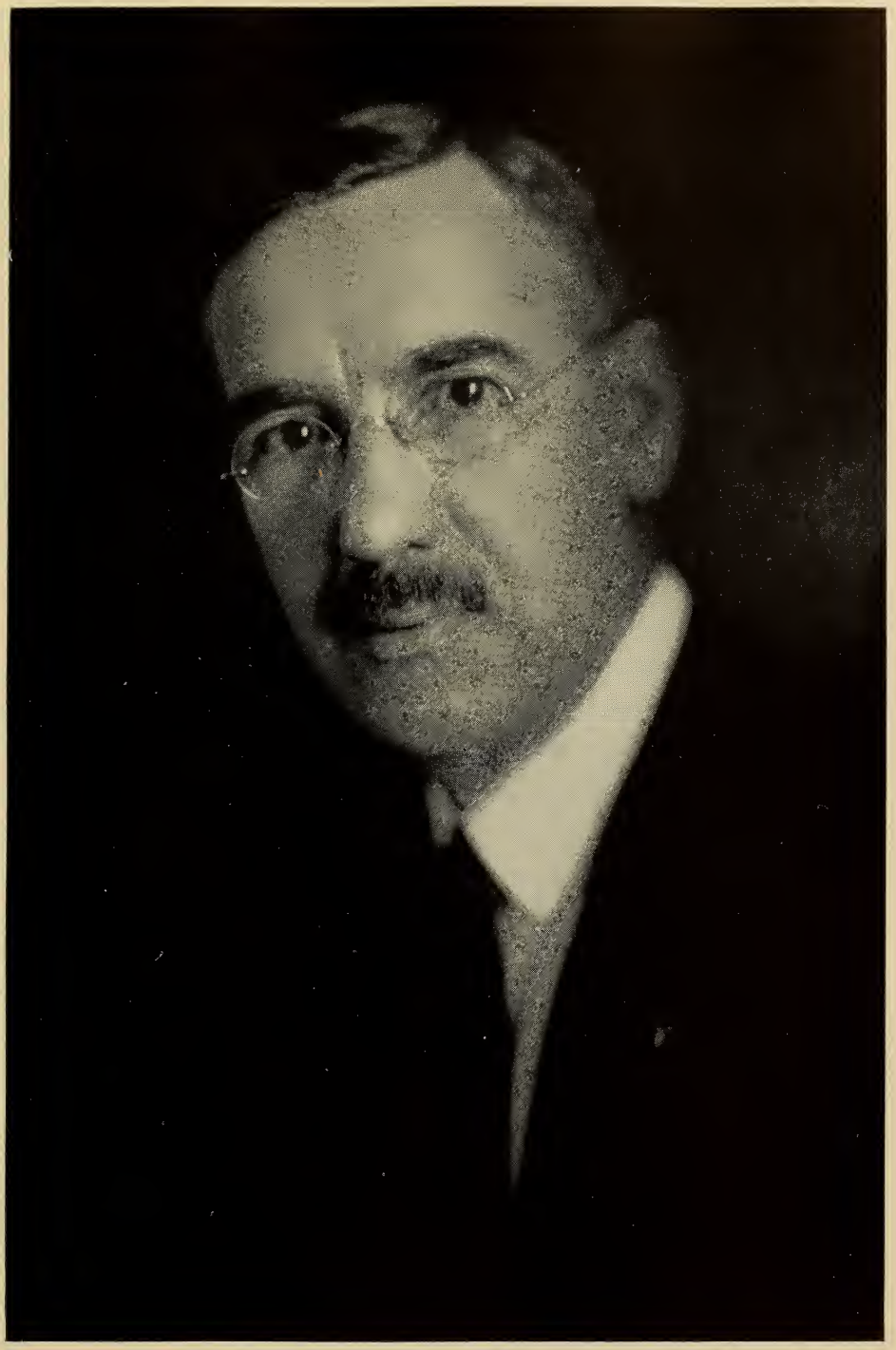
In the April 1919 issue of the Bulletin President Thomson announced that to Secretary Hill had been assigned the task of preparing a manual on the Institute, to contain the by-laws, an outline of the relationship between the general office in New

York and the local chapters, and certain other information which might be helpful to chapter presidents and to those interested in forming new chapters. At the direction of the Executive Council, the first draft of the manual was referred to the chapter presidents conference for discussion at the New Orleans convention and was later included in the printed proceedings.

In the fall of 1919 President Gardner B. Perry appointed a committee, with Ralph D. Spaulding of Chicago as chairman, for the purpose of revising the manual. The revised edition was referred to the chapter presidents conference for discussion at the 1920 convention and was included in the printed proceedings of the conference. This manual was revised innumerable times and expanded throughout the years until it became, in fact, the silent partner of all who accepted Institute responsibility of any kind.

In 1920 President Beckley appointed a committee on cooperation of bank officers consisting of twelve members under the chairmanship of Vice President Locke, with the aim of securing closer cooperation and more active interest on the part of senior bank officers in Institute work in general and in the work of the chapters in their areas in particular. Commenting on this plan, President Beckley said:

> Senior bank officials, by virtue of the high place they have attained, do exercise a tremendous influence over the men in their employ. This influence can be wielded for great good, and no senior bank official can conscientiously ignore this responsibility. Should a careful survey be made of the younger bankers who have attained important places in finance, with very few exceptions you would find that their success is due, in no small measure, to the influence exerted by some senior bank officer who, conscious of a responsibility resting on him, encouraged and helped these younger men to a clear conception of life and its responsibility.



Richard W. Hill
(at the time of joining the Institute staff)

The committee on cooperation of bank officers was not appointed in 1921 on the strength of President Locke's expressed opinion that its work had automatically been taken over by the alumni association. This association was "a more or less loose organization" of Institute graduates who held an annual reunion dinner at the American Bankers Association convention. It was an opportunity for the Institute members in attendance at the convention to renew their acquaintance and to talk over Institute affairs. Many alumni felt that this group could be of assistance in bringing the senior officers of banks in closer touch with the Institute. "The alumni association has but a single purpose," said President Locke, "and that is the purpose of retaining interest in chapter work."

Carbon Copy System

President Thomson, in 1918, inaugurated the practice of having copies of all letters written by the president sent to the vice president, the secretary, and the executive councilman in whose district the letter had "its terminus." Letters written by the other officers were similarly routed. In 1922 President Talman requested the committee chairmen also to send copies of all correspondence to the president, the vice president, and the secretary, thus making it possible for the committee work to be better coordinated. And from that time on the "carbon copy system" proved its value in effective Institute administration.

CHANGES IN ORGANIZATION FOR EDUCATIONAL WORK

At the second session of the Minneapolis convention on July 20, 1921, Educational Director Allen made known his desire to be relieved of his duties after August 31, 1922. By vote of the convention the Institute president and vice president were empowered to appoint a committee of nine, to be composed of three active members of the Institute, three members of the alumni

association who had remained interested in the Institute, and three educators to be selected by these six members. The committee was directed to submit to the Executive Council its recommendations regarding an educational director. The time of his taking office was left in abeyance.

At a meeting of the Executive Council later that same day, President Stewart D. Beckley announced the appointment of the following members of the committee on educational director: Henry R. Kinsey of New York, chairman, John H. Puelicher of Milwaukee, David C. Wills of Cleveland, Fred W. Ellsworth of New Orleans, Edward J. McQuade of Washington, and J. C. Thomson of Minneapolis. The council approved the action taken by the convention at the morning session and ratified the selection of the committee personnel.

Search for an Educational Director

There was considerable correspondence during the ensuing year, and many discussions took place, but by the time of the Portland convention little progress had been made in the selection of a permanent educational director. At the Executive Council meeting in July 1922 Chairman Kinsey reviewed the efforts of the committee and submitted the following report, which was adopted:

> The committee on education, appointed to recommend a new educational director, recommends the appointment of George W. Edwards of Columbia University, effective September 1, 1922, to succeed George E. Allen, retired, as Acting Educational Director, whose first and primary duty shall be to prepare an analysis of the educational work of the Institute as conducted by the several chapters; which analysis is to be used by the committee as an indication of the character of work required and the calibre of man needed to administer it.

At the chapter presidents conference Mr. Kinsey made the statement that until the committee knew where the Institute stood from an educational standpoint, the right man could not

be secured, that Dr. George W. Edwards would conduct a survey of the present educational system and on the basis of his survey would make recommendations for changes and improvements, that he would analyze the educational work as conducted by the several chapters, and that this analysis would help the committee in completing its search for a new educational director.

President Talman, in the October 1922 Bulletin, explained the duties of the acting educational director, stating that Dr. Edwards would visit every city in which there was a member of the special committee or a member of the council and that he would visit a number of typical chapters, including some in the far west. In the meantime, each chapter that issued a prospectus of its educational work was asked to cooperate with Dr. Edwards by sending a copy to him immediately.

The Institute continued its search for a new educational director during 1922-1923. At the suggestion of Henry Kinsey, President Talman and Secretary Hill made a trip to the northwest and down the west coast, returning to New York by the southern route. Many possibilities were investigated and many interviews were held on that trip. The report prepared as a result of the investigation suggested the names of two educators: Stephen I. Miller Jr., University of Washington, Seattle, and Harold Stonier, University of Southern California, Los Angeles. Additional names were suggested by members of the committee and by others, but not until the council meeting at St. Louis on April 4, 1923 were definite recommendations made by the committee, after a period of nearly two years.

At this meeting the secretary presented the analysis of chapter activities prepared by Dr. George W. Edwards, as well as the report on the visit of the president and the secretary to the west-

ern chapters. The council voted to refer Dr. Edwards' analysis to the new educational director when appointed.

A lengthy letter from J. C. Thomson to President Talman, on behalf of the committee, was then read by the secretary. That letter suggested several possibilities for educational director but recommended the selection of George M. Dowrie, dean of the School of Business, University of Minnesota.

After the reading of the letter, President Talman was authorized to appoint a committee of five to prepare a resolution as a guide to further action. Later in the meeting the committee presented the following resolution, which was adopted.

RESOLVED, That the Committee on Educational Director be requested to investigate the following names as possibilities for Educational Director: Ira B. Cross, University of California; George M. Dowrie, University of Minnesota; David Friday, University of Michigan; W. F. Gephart, First National Bank, St. Louis, Missouri; J. T. Holdsworth, Bank of Pittsburgh, Pittsburgh, Pennsylvania; Stephen I. Miller Jr., University of Washington; and H. J. Stonier, University of Southern California. If, however, after a thorough investigation of these men, a majority of the Committee is in favor of the appointment of George M. Dowrie, that the Committee be authorized to negotiate with him with a view to employing him as Educational Director of the Institute, and if a favorable report is made, that the President be instructed to appoint him. The Committee is requested to take into consideration the advisability of having whoever is finally selected arrange to take a year's leave of absence from his present connection. The Committee is further requested, if it is unable to secure George M. Dowrie, to present to the President not later than June first the names of other educators, including those already suggested, who seem to be desirable to the Committee, together with their qualifications and the Committee's recommendations, the President to submit such name or names to the Council for mail vote.

At the Executive Council meeting in Cleveland, July 16, 1923, President Talman announced that the committee on educational

director had decided unanimously to recommend the appointment of Stephen I. Miller Jr., dean of the College of Business Administration, University of Washington. The council approved the recommendation and appointed Dean Miller educational director of the Institute for a term of three years, beginning October 1, 1923.

Change in Board of Regents

Soon after George E. Allen announced his desire to be relieved of his duties, the suggestion was made that the last three past presidents of the Institute be added to the Board of Regents in lieu of the educational director. A proposed amendment of section 2 of the by-laws to this effect was published in the April 1922 Bulletin, with the statement that the change would bring to the board "a splendid knowledge of conditions" as they existed in the various chapters of the Institute and would be "of great assistance in planning and developing" the study courses.

The proposed amendment was approved by the Executive Council and was adopted by the convention at Portland in July 1922. In approving the amendment, the council directed that the last past president should automatically be chairman of the Board of Regents. Section 2 as amended appears in Appendix VI.

Renewal of Dean Miller's Contract

The subject of renewing Dean Miller's contract was brought before the council in July 1925, and President Bruce Baird was empowered to appoint a committee of three to consider the matter. At the midwinter meeting in January 1926, the committee recommended that, on the expiration of the contract, Dean Miller's employment be placed on a continuing basis, subject to cancelation on reasonable notice by either party. The recommendation was unanimously adopted.

In his report to the council at the January 1926 meeting, the educational director outlined his plans for a graduate curriculum and recommended that a new Board of Regents be created to

New Board of Regents Created

help the Institute in carrying on this work. At the direction of the Executive Council, President Baird appointed a committee to prepare a suitable amendment to the by-laws. A proposed revision of section 2 was published in the April 1927 Bulletin, was approved by the Executive Council, and was adopted by the convention at Detroit in July 1927. Section 2 as revised appears in Appendix VI.

Soon after adjournment of the Detroit convention, overtures were made to Educational Director Miller by the National Association of Credit Men. The preliminary negotiations resulted in an offer of the executive managership of this association. Dean Miller accepted the offer and tendered his resignation as educational director of the Institute, to take effect October 31, 1927.

New Educational Director Appointed

A special committee charged with the duty of selecting a new educational director was appointed immediately. The committee moved rapidly in making its investigation and, in fact, met with the candidate of its choice during the convention of the American Bankers Association at Houston in the latter part of October. He was Harold Stonier, vice president of the University of Southern California, Los Angeles, and his appointment was to take effect November 1, 1927, thus leaving no break in the services of an educational director for the Institute.

Educational Director Stonier was introduced to Institute members through the pages of the January 1928 Bulletin, where he reviewed the progress made in American education, pointed out the Institute's part in that progress, and briefly touched upon the possibilities of its future growth.

XXII

Educational Progress

PARALLEL with the increase in effectiveness of the administrative machinery was the growth of the educational work from 1915 through 1927. With the passage of the Federal Reserve Act in 1913, Institute leaders knew beyond question that the training afforded by the American Institute of Banking was no longer simply a matter of personal advantage but was an absolute necessity for those who wished to progress in banking.

The establishment of the Federal Reserve System in 1914 brought a definite change in methods of finance. Before that time the banks of the country had operated in accordance with certain rigid federal laws and variable local laws and customs which ran counter to economic laws in many respects. These antiquated practices and restrictions were largely eliminated by the Federal Reserve System. Thus adequate knowledge of the principles of finance, which could be acquired only through individual study under proper direction, was essential if banking of the future was to be conducted along safe and sound economic lines.

Moreover, if the Institute was to keep pace with the scientific developments in banking and finance and to fulfil its destiny as the recognized educational organization of the American banker, more careful consideration would have to be given to the development of its educational program. Therefore, the time had come, Institute leaders believed, when "the experience and thought of more minds, acting collectively," was necessary to deal with the educational problems adequately. Giving expres-

sion to that belief, the Dallas convention, in 1914, adopted an amendment to the constitution providing for the establishment of a Board of Regents.

As noted in the preceding chapter, this amendment placed all educational work under the control of a board of five members: two professional educators, two practical bankers, and the educational director. By January 1915 the Board of Regents was ready to begin its work of guiding the Institute in the development of its educational program.

Program for 1915-1916

The board made its first report at the San Francisco convention in August 1915. The text literature for Part II pertaining to law, the board stated, had been revised and published in two buckram-bound volumes, Commercial Law and Negotiable Instruments. The text literature for Part I pertaining to banking was undergoing revision and would be published in two volumes, Banks and Banking and Loans and Investments. All chapters were urged to take up the study of Part II during the coming year, since the books were available, and to postpone offering Part I until another year.

The two law books were prepared expressly for the Institute by Samuel Williston, Weld Professor of Law in Harvard University Law School. Practical exercises consisting of 100 questions were included in each volume. Together, the books constituted the single course Commercial and Banking Law, and a final examination was given only on the completion of both books.

In 1915 the Institute also announced the availability of Elementary Banking, a textbook for beginners. This book, prepared by O. Howard Wolfe and published by the Correspondence Chapter, gave a clear, concise explanation of banking with respect to both its fundamental principles and its everyday trans-

actions and described the effect of the Federal Reserve Act on the various phases of banking. It was intended either for general reading or for textbook purposes and was especially recommended for the use of new employees in banks. No certificate was issued in connection with Elementary Banking.

An article in the February 1916 Bulletin commented on the higher standard of work being achieved during the year. Instruction in the standard courses, the article revealed, was being given by practically every chapter in the country. Some of the larger chapters also were conducting special classes in economics and banking history, accounting, investments, business English, public speaking, foreign exchange, Spanish, credits, and bank advertising, holding sessions five nights a week, with two and three periods each night. Boston, Buffalo, and Chicago chapters reported that the classes in Elementary Banking had been unusually successful. Kansas City and Providence chapters stated that their classes were being conducted "on schoolroom methods" and attributed a great measure of their success to the adoption of this plan. In New York Chapter an attempt was made to give individual instruction to each member, and to help accomplish this result the classes were divided into groups of twelve or fifteen students, with a standard graduate in charge of each group.

At the Cincinnati convention in September 1916 President Bean made the following statement about the year's work.

Results of the Year's Work

It is very gratifying for me to be able to report that a large percentage of the chapters have used in the educational courses one or both of the volumes which were ready at the beginning of the year. More than 9,500 volumes have been sent out from the office of the educational director, and several editions have been printed to take care of the demand. We now have ready for use in the chapters this fall and winter one volume on Negotiable Instruments, one on Commercial

Law, one on Banks and Banking, and one on Loans and Investments. There is no longer any reasonable excuse that can be offered which will explain the use of other than the Institute standard study courses in chapters, whether they be large or small, and I strongly urge the newly elected presidents to use one or more of these volumes in their educational work during the coming year.

The report of the committee on resolutions at the Cincinnati convention contained one resolution that deserves to be recorded.

WHEREAS, education is the beginning and the end of our purpose as an institution, and the educational advancement of our members is now and should continue to be first and foremost, therefore be it

RESOLVED, that in returning to our homes it should be our purpose to apply ourselves earnestly and enthusiastically to the educational work outlined for us, so that we may reach a higher plane of character and efficiency. We realize that the Institute has something tangible to do and the importance of our educational work should not be underestimated. We should endeavor to forward this work so effectively that the American Bankers Association will find in its young offspring an active, purposeful body of men, availing themselves fully of the opportunities afforded and thus cause the parent body to feel fully justified in having brought the Institute into being.

Course Material 1916-1918

The August 1916 Bulletin contained an announcement that the two textbooks for Banking and Finance would be available in September and urged that chapters plan to make this course the basis of their educational work during the coming year.

Among the contributors to the two books were the four members of the Board of Regents: O. M. W. Sprague of Harvard University, E. W. Kemmerer of Princeton University, C. W. Allendoerfer of Kansas City, and H. J. Dreher of Milwaukee. Other contributors were H. Parker Willis, secretary of the Federal Reserve Board, Jerome Thralls, secretary of the Clearing House and National Bank sections of the American Bankers Association, Thomas B. Paton, general counsel of the Association, and Educational Director Allen.

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A new text for the elementary course was made available in 1917. The title was changed to Banking for Beginners, and the manuscript was prepared by J. F. Ebersole, an instructor in Minneapolis Chapter and a member of the faculty of the University of Minnesota. As with the first edition, the book was intended either for general reading or for textbook purposes. No certificate was issued in connection with the course.

Program for 1918-1919

A meeting of the Board of Regents was held in New York on November 17, 1917 for the purpose of reviewing the entire educational program. Professors M. A. Aldrich of Tulane University, S. S. Huebner of the University of Pennsylvania, and Harold G. Moulton of the University of Chicago were present on invitation in order that the Board of Regents might have the benefit of the various points of view represented by the different colleges which had taken an active interest in Institute affairs.

As a result of this meeting, certain changes were made in the standard courses for 1918-1919, a program of elementary study was set up, and advanced courses were established.

The elementary program consisted of Elementary Banking and Elementary Economics. Banking for Beginners was revised, and its name was changed to Elementary Banking, in order to indicate more clearly that it was intended not only for the many young men and women who had been brought into the banks under war conditions but also for others who needed "educational facilities of a fundamental character." A final examination was given on the completion of the course. Elementary Principles of Economics, by Ely and Wicker, was adopted as the text for the course in Elementary Economics, practical exercises based on the chapters of the book were provided, and a final examination was given in general review of the subject. The elementary certificate was awarded to students who passed both final examinations.

The textbooks for Commercial and Banking Law were revised by Professor Williston and were published in a single volume under the course title. The volume was divided into two parts, Book I covering the subject of commercial law and Book II covering the subject of negotiable instruments.

The Institute texts for Banking and Finance were discontinued, the title of the course was changed to Money and Banking, and a commercial text written by John Thom Holdsworth of the University of Pittsburgh was adopted as the Institute text for the course. This particular book was chosen for the reason that, at the time, it was the only text available on the subject of money and banking which included the amendments to the Federal Reserve Act that had been adopted in September 1917. The official announcement of the program for 1918-1919 made this statement regarding the course: "Banking has become a profession instead of a trade and progressive bankers must not only know the practical methods of bank administration and accounting but also have some understanding of banking history and banking principles."

The announcement also stated that on and after May 1, 1918, enrolment in the Institute standard courses would be restricted to (1) students who possessed the Institute elementary certificate and (2) students who had had either three years of experience in a banking institution or three years of study in a high school.

The Board of Regents also decided to discontinue the existing post-graduate course of study and to substitute advanced courses to be taken in the local chapters under the same conditions as the elementary and the standard courses. The following description of the proposed advanced work is taken from the official announcement of the program for 1918-1919 that appeared in the December 1917 Bulletin.

ADVANCED COURSES OF STUDY
(in preparation)

Accounting and Credit

The Institute advanced course of study in Accounting and Credit, already in process of preparation, will aim to coordinate accounting principles and practical bookkeeping. The course will consider the substance as well as the form and construction of the balance sheets of banks and other business enterprises. It will consist of (1) a standard textbook; (2) a selection of publications on collateral subjects; (3) a series of practical exercises; (4) a final examination in general review of the subject. The course of study thus arranged is intended to meet the requirements of Institute graduates and others in chapter cities, as well as to provide similar education through the correspondence method of instruction.

Other Advanced Courses

The precise scope of the Institute advanced courses of study in investments and international trade and exchange has not yet been determined. In fact, the exact names of such study courses will depend upon the development of their character. Government loans and the industrial effects of the war have stimulated interest in finance and multiplied the number of investors in bonds and other securities. The results of the war, however, must necessarily be influential in determining the precise character of any course of study on so broad a subject as investments. Similar conditions and circumstances apply to the Institute advanced study course on international trade and exchange. Institute graduates and others may be assured, however, that Institute work will be sufficiently enlarged and extended to meet their requirements.

The textbook for the accounting course was Accounting—Theory and Practice, by Roy B. Kester of Columbia University. Practical problems were printed in the text at the end of each chapter, and a budget of stationery for the student's use in working the solutions to the problems was furnished by the Institute.

During the years from 1915 through 1918 the printed circulars and the Bulletin announcements merely indicated that "class-

work in the Institute study courses should be conducted semi-weekly or oftener from September to May inclusive under the direction of a suitable instructor employed by the chapter and approved by the Institute." No announcement of the educational work contained a statement of the number of hours required for each course, but since the Executive Council did not change its ruling on the matter during this period, it is to be assumed that at least 50 hours of classwork continued to be the requirement. From statements made in later years, however, it seems probable that many chapters gave no more than 30 hours of classroom instruction in each of the two standard courses.

Program for 1919-1920

The Board of Regents held a meeting in New York on May 23 and 24, 1919 to review the educational program. Serious consideration was first given to the elementary courses. In view of the fact that the average student taking these courses was unable to assimilate the principles of economics and since it was deemed inadvisable to combine the subjects of elementary banking and elementary economics in one textbook, the Board of Regents decided to make economics a standard subject. The available texts on economics were reviewed, and the board selected Principles of Political Economy, by Thomas Nixon Carver of Harvard University, as the text for the Institute course.

No changes were contemplated for Elementary Banking, Commercial and Banking Law, and Accounting. The name of the course in money and banking was changed to Standard Banking, but the prescribed text continued to be Holdsworth's book. "While this book is an excellent treatise on the subject of money and banking," the Board of Regents said, "it was not prepared specially to meet the needs of practical bankers, and it is the present intention of the Institute to prepare a text on the subject which will more completely meet this situation."

Enrolment in the elementary course was open to any one. The requirements for enrolment in the standard courses were the same as those established for the preceding year, and it was recommended that students take the courses in the sequence outlined in the announcement, namely, Commercial and Banking Law, Political Economy, and Standard Banking. Enrolment in the advanced course was restricted to (1) students who had completed the standard courses and (2) students whose applications to enroll in the advanced course were approved by the educational committee "or other competent authority of the chapter," in order that enrolment in the course might be confined to those possessing the necessary qualifications.

A minimum of 42 hours of classwork was prescribed for each course, making a total of 126 and representing an increase of 26 hours over the former requirement. It was recommended that each course run for twenty-eight sessions of an hour and a half each.

The announcement of the Board of Regents for 1919-1920 stated that the elementary certificate would be issued to students who passed the final examination in Elementary Banking and that the standard certificate would be issued to those who passed the final examinations in the three prescribed subjects. At that time no provision was made for the issuance of an advanced certificate.

In his address at the New Orleans convention, President Thomson commented on the revised educational program as follows:

> In this connection your president desires to point out that it is absolutely essential to the continued success of our organization that we have uniformity among our chapters. This cannot be accomplished if the local chapters are to allow each succeeding instructor to tell

them which textbooks they should use. The Institute's textbooks are recommended as the result of the best judgment and experience obtainable from men familiar with Institute affairs and capable of judging its needs.

A form of proposed elementary certificate was presented to the Executive Council at a meeting on October 9, 1919, and the council decided to have such a certificate issued to each student on the completion of Elementary Banking.

Program for 1920-1923

No changes in the subject matter of any of the Institute courses were made for the year 1920-1921, but the title of the economics course was changed to Standard Economics.

A revision of the Commercial and Banking Law text was begun in 1921, the subject matter of Book I and Book II being treated separately. The original material on commercial law prepared by Samuel Williston was expanded and some new material was added. The work of preparing the Commercial Law text was undertaken jointly by Richard D. Currier, president of the New Jersey Law School, and Richard W. Hill, member of the New York Bar and Institute secretary. The new book was available to students in the fall of 1921.

With the law subjects thus separated, four courses were required for the standard certificate, effective September 1, 1921. Each course was intended to cover 42 hours of classwork, making a total of 168 hours.

The Institute's own text in Standard Banking also was available for classes in the fall of 1921. The responsibility for producing the book was shared by Professor E. W. Kemmerer of Princeton University, George E. Allen, and other officers of the Institute. Many professional educators and practical bankers participated in the work of compiling and revising the material. Sixteen of these contributors were named in the preface.

No change was made in the 1918 edition of Elementary Banking until 1922. In that year, the book was completely revised and brought up to date. Chapters I-VIII on banking were rewritten by James B. Birmingham, National City Bank of New York; Chapters IX and X on essentials of contracts and problems in law were revised and rearranged by Richard W. Hill; and four chapters on bookkeeping and accounting were prepared by Arthur K. Schulz, Chase National Bank of New York. Three authorities on the subject matter of the text reviewed the material and offered constructive criticisms.

Preparation of the new Negotiable Instruments text, based on the original work by Samuel Williston, was undertaken jointly by Richard D. Currier and Richard W. Hill, and this text was ready for the use of students in the fall of 1922. The Negotiable Instruments Act was printed in full at the back of the book.

The Institute's own text in Standard Economics was made available to students in the fall of 1922. This text, too, represented joint authorship. Seven chapters on economics and public finance were written by William E. Weld of Columbia University, three chapters devoted to business finance were written by John M. Chapman of Columbia University, and three chapters on corporation finance were prepared by Q. Forrest Walker of the National City Company, New York. All sections of the text were reviewed by competent authorities.

Another new Institute text, Credits, was produced in 1922-1923. This volume, the first text prepared by the Institute in the field of advanced work, was published initially in pamphlet form and was put into the hands of students in sections as the course progressed during the year. It was revised and published in bound book form in 1923. The original manuscript was written by W. H. Steiner, College of the City of New York, and was

reviewed by three well known authorities on credits. The work of revision in 1923 was done by W. G. F. Price of the National City Bank, New York. The preface gave credit to Alexander Wall, secretary-treasurer of the Robert Morris Associates (and a former member of Milwaukee Chapter), for material prepared by the Associates and to various officers of New York banks who had given the course in credits at New York Chapter in 1921-1922 and had placed their lectures at the disposal of the national organization.

Council Ruling on Equivalent Credit

At the Executive Council meeting in the spring of 1923, the secretary stated that many applications for the standard certificate were being received from chapter members who had not taken the Institute educational work but who had completed what, in their opinion, was the equivalent of that work. The matter was discussed by the council, with the following result:

> On motion duly seconded and carried, it was decided that while each case must necessarily stand on its own merits, a candidate for the standard certificate must complete under Institute auspices at least fifty per cent of the courses required for the standard certificate, that in every case completion of the Standard Banking course will be necessary, and that the final examination must be passed in each course leading to a standard certificate.

Credit Cards Authorized

The matter of the Institute's issuing an advanced certificate for work completed beyond the standard courses also was discussed, and the secretary was instructed to submit a form of certificate at the next meeting. At the council meeting on July 16, 1923 the secretary suggested that the advanced certificate be similar to the elementary and standard certificates but in the form of a card approximately 4″ x 6″. The council decided to have such credit cards issued to students on the completion of each advanced course.

Let us pause in the story of educational progress for that back-

Retrospect and Prospect

ward glance that often is necessary for a better appreciation of what lies ahead. For twenty-one years of its life the American Institute of Banking was guided by a man of unusual talents, a man in whom the elements of greatness were combined to a superlative degree. But he was not a professional educator. He was the skilled pilot who guided the good ship Institute through the narrow channel from the protected harbor of its infancy to the open sea of its maturity, avoiding the sandbars and skirting the shoals.

Of the many characterizations of George E. Allen that one finds in the Institute records, that of Gardner B. Perry in his annual address as president at the Boston convention in 1920 is perhaps the best: "He concisely states long truths and much wisdom in but short and direct words. He is as calm as the clock when the pendulum of ideas swings from one extreme to the other. He directs the strength of the discontented toward bettering themselves, and counsels wisely and often with those who eagerly wish to learn from him and be directed by him. Thousands of bankers are but debtors to him, and yet he deliberately and with honest intent credits their accounts on the ledger."

Realizing that the Institute had reached the point where it needed more than he could give, George Allen welcomed the creation of a Board of Regents; indeed, if events of previous years are a criterion, it is probable that he even suggested the step. The board performed a valuable service in broadening the base of the educational program, and as a result of its planning, the number of courses were increased from two to seven in the eight-year period following its establishment in 1915. Furthermore, by the fall of 1923, the texts for six of these courses had been specially prepared for the use of Institute students. But the board met infrequently, and its activities appear to have been

confined mainly to reviewing the educational program, rearranging and expanding the curriculum, and assisting in the revision and preparation of textbooks. The last meeting of the board prior to the retirement of Educational Director Allen in 1922 was held in the fall of 1919, when a five-year program of textbook preparation and revision was mapped out.

While an adequate curriculum and suitable textbooks are essential to a successful program of banking education, they alone will not insure success. Many other factors that enter into the situation can make or mar the best laid plans of a board of experts. What the Institute needed in 1922 was a professional educator capable of directing and controlling these other factors. The search for such a man began in 1921 and was still going on when the Institute lost its pilot. Thus between the retirement of George E. Allen on August 31, 1922 and the advent of Stephen I. Miller Jr. on October 1, 1923 the educational program went along more or less on the momentum generated by the Board of Regents, and the plans for preparation and revision of textbooks were carried to completion by Secretary Hill.

The interval was not entirely unproductive, however, for the survey made by Acting Educational Director Edwards during the fall of 1922 and the winter of 1923 gave the new educational director the soundings which enabled him to chart his course.

The four years of Dean Miller's service to the Institute were years of active building educationally. On the solid foundation laid by George Allen and the Board of Regents, he built a substantial framework on which his successor proceeded to erect an educational superstructure.

The new educational director was both captain and pilot in that he directed as well as guided the course of the Institute. As

The New Pilot and Captain

for his qualifications to perform these duties: He was graduated from the University of Michigan Law School and later from the department of economics and government of Leland Stanford University. He taught in rural and high schools in California until 1900 and then continued his studies for two years in France, England, and Germany. Returning to the United States in 1902, he began a career of university teaching and business which extended over a period of ten years. During this period Dean Miller taught at Stanford University, the University of Southern California, the State University of California, and the University of Michigan, and for one year was Austin scholar at Harvard. In 1917 he went to the College of Business Administration at the University of Washington, as professor of transportation. He was made dean of the College of Business Administration within a few months of his arrival, and for the next five years he was in constant touch with all phases of business and industrial activities throughout the northwest, making surveys and counseling in public affairs.

Educational Objectives

When Dean Miller entered upon his Institute duties in October 1923, he had a plan consisting of two steps, the second step being impossible of accomplishment until the first had been carried out. The first step was better standardization of the Institute's educational program; the second was the development of an organized graduate program. In pursuing his course toward the first objective, he used the direct approach, sometimes even to the point of bluntness. At the chapter presidents conference at one of the conventions, for instance, he made the following statement:

> We started out with one leg of the program, namely, the absolute necessity of a better standardization of our work in order that we might gain the respect of the senior bankers, gain the respect of educators

throughout the United States, and render a real educational service to the members of our classes rather than fulfil the picture that often is presented of us by men from the universities as what they consider half-baked education.

Many university people dislike us. They don't care much for us even when we do our work in the very best possible way because they feel that we make so many short cuts, that we are not willing to have patience to get hold of a basic principle, that we are not willing to study hard enough from day to day, that we are not willing to develop our program intensively enough and with the same administrative care that may be found in the colleges and universities.

There is something to that contention, and in the better standardization of our educational work, we are trying to meet these requirements.

The most obvious factor in carrying out the first step of Dean Miller's plan was improvement of the teaching tools. Therefore, before examining the nature of the other factors, let us note the results of textbook production and revision from 1924 to 1927.

Text Materials 1924-1927

A revised edition of Standard Banking was brought out in 1924. An important feature of this edition was the inclusion of material on the organization and operation of the Federal Reserve System. The work of revising the text was done by an educator of broad experience in the field of practical banking as well as in the classroom—Carl S. Dakan, professor of applied banking at the University of Washington. Other professional educators and practical bankers rendered valuable assistance in the work of revision.

Two chapters of the Credits text were rewritten in 1924 by authorities on the subjects.

In that year, also, the Institute produced its first edition of Investments. With the exception of three chapters, the text was outlined, planned, and written by the national educational director. Three chapters on the analysis of statements were prepared by the accounting staff of the University of Washington.

A new edition of the text for the elementary course was made available in 1925. The material for this book, to which the more fitting title of Banking Fundamentals was given, was prepared by O. Howard Wolfe, cashier of the Philadelphia National Bank, Philadelphia, Pennsylvania. Through the courtesy of La Salle Extension University, Mr. Wolfe was permitted to use part of the text matter of his book Practical Banking, written for that institution.

In keeping with the change in the name of the course, the name of the certificate was changed from elementary to preparatory certificate.

In 1925 the Institute, in cooperation with the Savings Banks Association of the State of New York, prepared a twenty-page outline for a course in savings bank organization and operation, for use in Institute chapters in New York State.

Standard Economics was revised in 1926. The subjects of business finance and corporation finance were eliminated since they were to be found in other Institute texts. A large portion of the material on public finance included in the previous edition was retained in the revised edition. The chapters on transportation and foreign trade were written by Dean Howard E. Lewis, the chapter on marketing and merchandising was prepared by Professor W. D. Moriarty, and the chapter on enterprise was written by Assistant Professor Karl Leib, all of the College of Business Administration, University of Washington. Parts of the text were reviewed by W. H. Steiner, College of the City of New York.

The Institute's first text on Trust Functions came off the press in 1927. The actual writing of the manuscript was done by Robert Mayer, assistant trust officer, Provident Trust Company, Philadelphia, but the material was based on a detailed outline prepared by William H. A. Johnson of Chicago, supplemented

by suggestions received from instructors of trusts in other chapters.

At the Executive Council meeting on January 19, 1927, Public Speaking, a two-volume work by Dale Carnegie, was adopted as the official Institute text on public speaking. During the summer of 1927 an instructor's manual based on this text was prepared by Mr. Carnegie for the use of Institute instructors.

During his four-year term of service, Educational Director Miller added three new courses to the curriculum, making a total of ten in the fall of 1927: Banking Fundamentals, Commercial Law, Negotiable Instruments, Standard Economics, Standard Banking, Accounting, Credits, Investments, Trust Functions, and Public Speaking.

Commenting on the subject of Institute texts at an Executive Council meeting, Dean Miller said:

> But it must be remembered that the revision and preparation of textbooks are only a part of our responsibility in promoting better educational results and especially more preparation on the part of the student. More material in the shape of problems, cases, exercises, and so forth, must be available for the instructor in order that definite assignments may be made to each member of the class. Only in this way will we be able to stimulate more homework on the part of the student.

Length of Course

The first factor emphasized by Dean Miller in outlining his plans, shortly after taking office, was standardization of course hours. The standard requirement was (and still is) a 42-hour course, generally accomplished in twenty-eight periods of one and one-half hours each.

Dean Miller soon found that in many chapters there was a tendency to vary the length of the course, some chapters cutting the class period to one hour, which was entirely inadequate, and some increasing the length of the period to two hours, which was often objectionable because of the difficulty of holding the

interest of the students. "The Institute certificate," said the educational director, "should represent a standard amount of classwork"; so he persistently drove toward the objective of getting chapters that had been offering abbreviated courses to raise their course hours gradually until the 42-hour minimum was reached.

In his report at the Dallas convention in 1926 Dean Miller said: "The time has about arrived when the national office will be justified in refusing credit for courses that do not fulfil the 42-hour requirement." His final word on the subject was contained in his message to Institute members in the October 1927 Bulletin: "Beginning with the educational year 1928-1929, Institute credit will be based on a minimum 42-hour course. High standards cannot be maintained in abbreviated courses."

Classwork and Attendance

The next factors in the standardization program were classwork and attendance, which Dean Miller rated of equal importance. An article in the April 1924 Bulletin contained this statement: "Classwork is a broad term which includes class discussion, quizzes, written work, and interest. Every student should have full credit for such values. At the present time, we know only the grade of the student for the final examination. It may readily happen that a student receives a grade of from 70% to 74% for the final written work. Such a student may have been worthy of a passing grade if attendance and classwork had been taken into consideration."

Dean Miller stressed the value of an effective follow-up system as an element in the attendance factor. "It is gradually being recognized," he said, "that the organization of a chapter is not complete until a careful, constructive plan for following up delinquents has been put into effect. One of the best methods of encouraging students to maintain their attendance is to appoint key men in the various banks to stimulate enthusiasm. A waver-

ing student must be encouraged quickly or he is lost to the class and possibly to the Institute. Delayed reports or no reports at all, with no organization for the maintenance of interest, mean a heavy loss to our educational program."

To emphasize the importance of the classwork and attendance factors, the educational director, in his annual report at the 1924 convention, announced that beginning with the year 1924-1925 the final examination would have a rating of 50% and classwork and attendance would each have a rating of 25% toward the grade for the course. By allowing credit for these two factors, he said, a premium would be placed upon regular attendance and a stimulus would be given to definite class assignments, discussions, and tests.

Mortality, Registration, and Size of Classes

Mortality was a problem that Dean Miller attacked with great vigor. Tied in with this factor were the questions of proper registration and size of classes.

A report based on figures supplied by 106 chapters during 1923-1924 showed that the average number of students completing the courses was 54.8%, representing a mortality of about 45%. The next year the mortality figure was reduced to 32%. In 1925-1926 it was up a few points, to 34%. But at the close of the fourth and last year of his service with the Institute, Dean Miller was able to report an average class mortality of 27%, probably the lowest student mortality the Institute had experienced in any year of its history.

Because he felt that much of the mortality could be checked by personal registration, better follow-up methods, and more frequent meetings of educational committees, officers, and instructors, the educational director, in his visits to chapter cities, met with the officers of banks, held round table conferences with chapter leaders, and talked at general open meetings. During his

four years with the Institute, he visited more than 150 chapters, representing over 80% of the local units. Everywhere he urged chapter leaders to register their students personally. "Good educational results," he told them, "cannot be obtained unless students take the courses in proper sequence. Under no circumstances should students be allowed to take advanced courses before a foundation has been acquired in Banking Fundamentals and the standard courses. A careful, personal enrolment cuts down mortality and promotes the quality of work done."

Not only were chapter leaders urged to enroll students more carefully, but they were cautioned to limit the classes to the proper number of students. "The best educational results," Dean Miller said, "cannot be attained when the interest of the students cannot be solicited through discussion and questions. Large classes necessitate the lecture method, which is not well adapted to Institute work. A class of from twenty to thirty-five in Banking Fundamentals and the standard subjects may be considered normal. Many advanced courses should be smaller. The slogan of the Institute must be 'quality and not quantity.' "

Intensive Plan

Another means of checking mortality was the intensive plan, that is, the plan of holding classes in a subject two nights a week for fourteen weeks instead of one night a week for twenty-eight weeks. At the Executive Council meeting on January 18, 1926 Dean Miller stated that a very important contribution to the reduction of student mortality was the success of the intensive educational plan, and he reported on the plan as follows: "Last year four chapters—Chicago, Detroit, Minneapolis, and San Francisco—demonstrated the success of this method, and this year Boston, Denver, St. Paul, Seattle, Washington, and some scattered classes throughout the country have adopted it. Philadelphia will adopt the plan for the coming year."

In his annual report at the Dallas convention in 1926 he stated that the intensive plan had proved its worth beyond all dispute and added: "Every chapter that has adopted it reports a heavy falling off of student mortality and a betterment in educational results. It may safely be predicted that within the next five years, class meetings held once a week will be the exception and not the rule. However, it is well appreciated that some chapters, because of local conditions, are not in a position to make the change at present."

In addressing the chapter presidents conference at the Detroit convention in 1927, Dean Miller mentioned another reason for the adoption of the intensive plan: "We are giving quite a lot of time to this intensive plan because it plays into the other leg of the educational program, namely, the graduate work. If we follow the intensive plan, which gives the student a shorter period for the standard courses, then our enlarged educational program will appeal to Institute members in a way that would not be possible if we were to remain on the old basis."

Careful selection of the personnel of the educational committee was a matter on which Dean Miller placed great emphasis. On this subject he said:

Educational Committee

Only live, experienced, and hard working men or women should be named for this work, for upon the educational committee falls the responsibility of administering the local educational program. Nothing is more unfortunate than the disposition to turn the work of the educational committee over to some one outside the chapter. No one, no matter how well qualified, can take the place of the educational committee. Chapter men from their long experience with the growth of our organization have acquired an understanding of the spirit and purpose of the Institute which is hardly to be expected from any one else.

A very important element in the success of the local educational program is contact with instructors. Frequent, scheduled meetings of instructors and members of the educational committee constitute the

only means of cooperative guidance in the educational work. There should be a minimum of three such meetings each year, one at the beginning, one about halfway through, and the third just before the final examination.

Continuity in Educational Program

By January 1926 the educational director believed that sufficient progress had been made in the standardization factors to justify the Institute's giving thought to the second step of his plan, the development of an organized graduate program. Commenting that the special courses then being offered did not appeal to the standard graduate as leading to a definite goal, he recommended to the Executive Council that the advanced courses be grouped in such a way as to stimulate students to continue their studies upon completing the standard subjects. "Continuity in our educational program," he said, "is essential to the integrity of the chapter, to the requirements of the banking profession, and to the development of executives."

The council authorized the educational director to formulate plans for the preparation of the graduate courses, with the understanding that he would report progress to the council.

Inasmuch as the Board of Regents was not functioning, Dean Miller also recommended that the existing board be discontinued and that a new national board be created in order that the Institute's text materials might be enlarged and put into better form. His idea was to have a regent for each subject for which a textbook had been prepared by the Institute.

Steps were then taken by the council to provide for reorganization of the Board of Regents along the lines of Dean Miller's suggestions.

At the midwinter meeting of the Executive Council in January 1927, the educational director presented an outline of two graduate special courses, one in credits and the other in invest-

ments. The titles of the courses and the official texts were as follows:

GRADUATE SPECIAL COURSE IN CREDITS

1. Types and Analysis of Financial Statements
   Textbook: Gilman, Analyzing Financial Statements
2. Credit Principles
   Textbook: American Institute of Banking, Credits
3. Business Forecasting
   Textbook: Vance, Business and Investment Forecasting
4. Bank Administration
   Textbook forthcoming

GRADUATE SPECIAL COURSE IN INVESTMENTS

1. Types and Analysis of Financial Statements
   Textbook: Gilman, Analyzing Financial Statements
2. Investment Principles
   Textbook: American Institute of Banking, Investments
3. Business Forecasting
   Textbook: Vance, Business and Investment Forecasting
4. Bank Administration
   Textbook forthcoming

In addition to the official texts, the outline listed five collateral reading references for the first two courses and one for the third course in each group.

Dean Miller nominated the following practical bankers and professional educators for the reconstituted Board of Regents: John H. Puelicher, president of the Marshall & Ilsley Bank, Milwaukee, Wisconsin, and Fred I. Kent, vice president of the Bankers Trust Company, New York City, both members of the former board; Professor Ira B. Cross, head of the department of economics, University of California, for Standard Economics; Professor W. A. Scott, director of the School of Commerce, University of Wisconsin, for Standard Banking; Lawrence Cham-

berlain, Investment Bankers of America, 120 Broadway, New York City, for Investments. These nominations were approved by the Executive Council.

At the Detroit convention in 1927 Dean Miller announced that the development of an organized graduate program would be inaugurated in the fall and that twenty chapters had already signified their intention of starting the program for standard certificate holders. "This step," he said, "is absolutely necessary if we are to maintain the supremacy or even fulfil the responsibility of the American Institute of Banking."

The Educational Map of 1927-1928

Dean Miller's final message to Institute members, prepared shortly before his resignation took effect on October 31, 1927, appeared in the Bulletin for that month. It was entitled The Educational Map of 1927-1928. First he summarized the main points of the standardization program on which he had been concentrating for a period of four years; then he presented in broad outlines the possibilities of graduate work and offered suggestions for the administration of that program. Only the guideposts on his educational map can be indicated here.

The A.I.B. will forever face the necessity of carefully scrutinizing every phase of its organization in order that the highest standards may be maintained. In the light of this necessity I must continue to urge:

1. As much stability as is possible in the local chairmanship of your educational work. Constant change imperils continuity.

2. Small classes as a basis for individual and intensive training. Enthusiasm of the individual tends to perish in the large group.

3. Careful selection of instructors who are technically and inspirationally equipped.

4. Painstaking registration in order that the class may be kept as nearly uniform as possible. Students must not be allowed to enroll in classes beyond their ability and without regard for sequence.

5. The creation of a follow-up system in each bank, in the hope of stimulating interest and checking class mortality.

6. Frequent meetings of officers and instructors in order that experiences may be interchanged and cooperation facilitated.

7. Contact with the national office on a basis of the greatest possible mutual helpfulness.

8. The careful consideration of progressive class fees, with the student actually assuming more financial responsibility. Personal investment in an education is the best test of sincerity and a stimulus to class enthusiasm.

"No student possessing broad vision as to future trends and requirements," Dean Miller said, "can afford to overlook such courses as those offered in the graduate program, for it is the graduate work of the A.I.B. that represents the great contribution to our educational future."

XXIII

Integrating the Educational Program

THE new educational director had an extensive background of experience in connection with educational, financial, and business organizations. After receiving both his bachelor's and his master's degrees from the University of Southern California, he first engaged in high school and junior college teaching and then spent several years in the investment banking business in Los Angeles, specializing in bond advertising. In 1920 he was instrumental in inaugurating the College of Commerce and Business Administration of the University of Southern California and was associated with the administration of that school for several years. Later he organized the extension work and the alumni association of the university. From 1923 through 1927 he served as vice president of the institution.

His interest in the advertising end of the investment business continued during his years of association with university work, and he served successively as president of the Los Angeles Advertising Club, as president of the Pacific Advertising Clubs Association, and as vice president of the International Advertising Association. For years he worked consistently toward bringing about a closer relationship between educators and business men and a better understanding between business organizations and educational institutions.

Some ten or twelve years before joining the Institute staff, he had his first contact with the organization as an instructor in Los Angeles Chapter, and he served the local chapter in one capacity or another up to the time he came to New York.

A few months after his official introduction to the Executive Council at its midwinter meeting in February 1928, the Institute was honored when the alumni body of the University of Southern California, numbering 16,000, selected Harold Stonier as one of its two annual nominees for university honorary degrees. Thus, with the conferring of the degree of Doctor of Business Administration in recognition of his distinguished services in the fields of business and education, he became the Institute's Dr. Stonier.

Fortifying the Curriculum

His first assignment on assuming office was to map out a plan for broadening the scope of the Institute's educational program. In view of the changes in bank operation and administration that had been taking place for several years and the consequent necessity of having bankers prepare themselves for these newer phases of banking, he felt that the work required for the preparatory certificate was not strong enough to justify the superstructure of standard and graduate courses being imposed upon it and that something should be done to strengthen the curriculum at that point.

First of all, he proposed changing the name of the certificate from preparatory to pre-standard, a step that in itself would enhance the position of the standard certificate. Next, he proposed to strengthen the standard courses by shifting to the pre-standard group some of the subjects then included in the standard group and replacing them with new standard courses. The standard certificate was to be given only after a student had satisfactorily completed "enough courses to justify the Institute in believing that he or she had gained a working knowledge of all the fundamental factors necessary for the successful conduct of the ordinary bank of the present day." The proposed changes would enable the Institute to keep the standard courses of such a high

character that the prestige of the standard certificate would be maintained.

The educational director suggested that the graduate program be enlarged to cover various specialized fields of bank operation. This arrangement would make it possible for students interested in certain phases of banking to go further in their study and thus would parallel the experience of other educational institutions in having the graduate program permit of specialization. The plan contemplated that special graduate certificates would be awarded only to standard certificate holders on the satisfactory completion of at least two courses in a particular field, such as trust banking, investment banking, or commercial banking. These certificates, however, would not supersede the standard certificate, which would still be looked upon as a standard of professional training in banking.

In presenting his report to the Executive Council on February 9, 1928, the educational director stated that the best way to put his plan into operation would be to move one course each year from the standard group to the pre-standard group and introduce a new course into the standard group to take its place until there were four courses in each group. In this way four years would be required to put the plan into full operation and the chapters would have time to make the necessary readjustments in their programs.

The Executive Council approved in substance the proposed plan for expanding the educational program, and minor details were later worked out by a committee in cooperation with the educational director. The new curriculum was hailed by the membership and by banking generally as a forward step in keeping with Institute tradition.

While the plan was in the process of being put into effect,

changes were made in the titles of some of the courses. The requirements for the various years from 1928 to 1931, giving effect to these changes, were as follows:

PRE-STANDARD COURSES	STANDARD COURSES
August 1, 1928 to July 31, 1929	
Banking Fundamentals	Commercial Law
Commercial Law	Negotiable Instruments
	Standard Economics
	Standard Banking
August 1, 1929 to July 31, 1930	
Banking Fundamentals	Negotiable Instruments
Commercial Law	Standard Economics
	Standard Banking
	Credits
August 1, 1930 to July 31, 1931	
Banking Fundamentals	Standard Economics
Commercial Law	Standard Banking
Negotiable Instruments	Credits
	Analyzing Financial Statements
August 1, 1931	
Bank Organization and Operation	Money and Banking
Commercial Law	Credit Management
Negotiable Instruments	Analyzing Financial Statements
Economics	Bank Management

A student who enrolled in any Institute course prior to the fall of 1931 was expected to complete the pre-standard and standard courses outlined for the particular year in which he received his first Institute credit.

Beginning in the fall of 1928, special graduate certificates in the following fields were issued to standard certificate holders upon completion of the required courses.

Special Graduate Certificate in Commercial Banking
  Analyzing Financial Statements
  Investments
Special Graduate Certificate in Investment Banking
  Business Forecasting
  Investments
Special Graduate Certificate in Trust Banking
  Trust Functions
  Investments

Increase in Course Hours for Standard Certificate

The ultimate effect of the four-year educational plan introduced in the fall of 1928 was to double the number of course hours required for the standard certificate. There was a time in the history of the Institute when a student could qualify for that certificate on the basis of three courses of 30 hours each, or a total of 90 hours. From 1909 to 1919 the national minimum requirement was 100 hours, representing two courses of 50 hours each, although many chapters still adhered to the 30-hour rule and students in those chapters "got by" with only 60 hours for the standard certificate. In 1919 the number of courses was increased to three, with 42 hours as the minimum requirement for each course, making a total of 126 hours. From 1921 to 1929 four courses of 42 hours each were required for the standard certificate. If a student was not excused from taking Banking Fundamentals, on the basis of either education or experience, this course brought his total hours to 210. Beginning in the fall of 1929, a 42-hour course was added to the standard group each year until the course hours required for the standard certificate in the fall of 1931 totaled 336.

Broadening the scope of the educational program was only one of many problems that claimed the attention of Educational Director Stonier in 1928. A survey conducted in 1922-1923 had revealed the fact that many chapters, particularly the

larger ones, were not following national regulations with respect to certain phases of the educational work. Dean Miller had worked persistently during his term of office, and to good effect, on the matter of standardization. For if the Institute was to have a national approach to the problem of banker training, all chapters would have to conform to certain minimum requirements. Hence the new educational director found much of the "spade work" already done when he arrived on the scene.

National Standards

Among the standards established prior to 1928 were those relating to the length of each course, minimum attendance, the minimum passing grade, the credit factors entering into the grade for a course, and the use of Institute final examinations. At the Executive Council meeting in January 1929 the educational director asked the council to reaffirm the Institute's position on these matters, and the following preamble and resolution were adopted:

Whereas it appears from the report of the National Educational Director that the National Organization has established certain standards of educational work, which standards have been effective over a period of years, and

Whereas these standards require

1. A 42-hour basis for each Institute course
2. A minimum attendance of 65% on the part of each student
3. A submission to the final examinations prepared by the National Office
4. A minimum final passing grade of 75% based on
   a. 25% for attendance
   b. 25% for classwork
   c. 50% for final examination

Now therefore be it

Resolved that these requirements, as set forth in the preamble to this resolution, be, and they hereby are, approved and adopted as the necessary requirements for credit toward the Institute certificates, the same to be effective beginning with the Fall of 1931.

1 1 1 1

The Executive Council also adopted a resolution regarding the use of Institute texts, as follows:

Resolved that, beginning with the Fall of 1931, credit will not be given in any course leading to any certificate or credit card issued by the American Institute of Banking unless Institute textbooks are used throughout the various courses.

From 1928 to 1930 several other educational policy matters were presented to the Executive Council for consideration and were acted upon favorably.

Credit for Institute Instructors

At the council meeting on February 9, 1928 the educational director stated that on his visits to chapters throughout the country he had been questioned several times regarding the possibility of granting credit to chapter instructors for the courses conducted by them. At the conclusion of his report, the council adopted the following resolution on this point.

Resolved that the National Educational Director be, and he hereby is, empowered to give Institute credit to chapter instructors in any Institute course or courses conducted by them.

Equivalent Credit

At the June 18, 1928 meeting of the Executive Council, the educational director called attention to the existing rule with respect to equivalent credit and pointed out its inadequacy in view of the contemplated expansion of the educational program. When he had concluded his remarks, the following restatement of the regulation was adopted.

RESOLVED:

1. That on and after August 1, 1929, every Institute student who is a candidate for the Standard Certificate must be the holder of the Institute Pre-Standard Certificate;

2. That Institute credit may be allowed, in the discretion of the National Educational Director, in the subjects of Banking Fundamentals, Commercial Law, and Standard Economics, for work done which, in the opinion of the National Educational Director, is the equivalent of the requirements of the Institute in each of such courses; ' ' ' '

3. That Institute credit may be allowed, in the discretion of the National Educational Director, in the subject of Negotiable Instruments, to members of the Bar and to graduates of approved law schools;

4. That, except as otherwise stated in this resolution, every candidate for the Standard Certificate must complete, under Institute auspices, all of the courses leading to both the Pre-Standard and Standard Certificates and must pass the Institute final examination in each of the Standard courses;

5. That a candidate for a Special Graduate Certificate must be the holder of the Institute Standard Certificate and must complete, under Institute auspices, the courses required for such Graduate Certificate and must pass the Institute final examination in each of such courses.

On January 15, 1931 the subject of Money and Banking was added to paragraph 2 of the resolution, and in June 1931 the subject of Banking Fundamentals was eliminated from paragraph 2. Other changes in the equivalent credit regulation, to be described later in the chapter, were made in 1937 and subsequent years.

Other Educational Policy Matters

In January 1930, on the recommendation of the educational director, the Executive Council authorized the national office to make a nominal charge of one dollar for the issuance of every Institute certificate earned after August 31, 1930.

At the midwinter meeting in January 1931, the Executive Council voted to discontinue the issuance of credit cards for the individual courses leading to Special Graduate certificates, effective August 31, 1931.

The educational director reported to the Executive Council in January 1931 that even though the resolutions requiring all chapters to conform to the national educational program would not become effective until the fall of that year, the chapters with only one exception were following the national program.

In the spring of 1931 New York Chapter presented to the

New York Chapter Memorial

educational director a memorial addressed to the Executive Council petitioning the council to modify its regulation requiring the use of prescribed text material. Copies of the memorial were sent to the members of the council in advance of the June meeting. In order that a cross-section opinion on the matter might be obtained as a guide to the Executive Council in reaching a decision, President Ben Aley of Denver invited representatives of New York and other chapters to attend the meeting.

When the council met at Pittsburgh on June 8, 1931, the following chapter representatives were present: J. Ross Burhouse, Philadelphia; Clarence R. Chaney, Minneapolis; B. K. Dorman, Shreveport; Earl J. Failor, Detroit; Lawrence C. Freer, New York; Herbert H. Gardner, Detroit; William H. A. Johnson, Chicago; John A. Johnston, Baltimore; Don D. Lovelace, Chicago; H. Sadtler Nolen, Baltimore; M. M. Parker, Philadelphia; William N. Pope, Syracuse; W. G. F. Price, New York; Joseph J. Schroeder, Chicago; J. V. D. Stryker, New York; Frank M. Totton, New York; Dale M. Tussing, Los Angeles; Carl W. Ullman, Youngstown; Henry Verdelin, Minneapolis; Alan G. Warner, New York; John A. White, Baltimore; and Frank C. Wood, Richmond.

President Aley announced that the memorial would be the first order of business, and he asked whether the representatives of New York Chapter were prepared to present their case. Lawrence C. Freer, president of the chapter, responded and introduced W. G. F. Price, who presented New York's case.

The position of the national organization was set forth by Dr. Harold Stonier, national educational director.

A general discussion then ensued, with the following chapter representatives participating: Lawrence C. Freer, H. Sadtler Nolen, M. M. Parker, W. G. F. Price, Joseph J. Schroeder,

Frank M. Totton, and Alan G. Warner. The representatives of the national organization who took part in the discussion were: Vice President Henry J. Mergler of Cincinnati, Educational Director Stonier, and Councilmen Edwin C. Estes of New York, W. J. Evans of Dallas, E. F. LeBreton of New Orleans, and Carl L. Phillips of Seattle.

At the conclusion of the open meeting all those who were not representatives of the national organization were excused.

President Aley asked each member of the council to express himself on the question considered at the open meeting. There was full and frank discussion, and later in the meeting the following resolutions were adopted.

WHEREAS, New York Chapter has petitioned the Executive Council of the American Institute of Banking to modify its regulation requiring the use of prescribed text material, and

WHEREAS, The Executive Council has given careful consideration to the petition as presented by the representatives of New York Chapter, and

WHEREAS, The Executive Council has reviewed the history of the development of the prescribed study courses and the reasons leading to the establishment of required minimum standards in the use of text material, now therefore be it

RESOLVED, That the Executive Council reaffirm its policy heretofore adopted regarding the use of prescribed text material in the courses required for the Institute certificates, and be it further

RESOLVED, That a committee be appointed to prepare a statement setting forth the reasons leading to the adoption of the policy referred to in the preceding resolution, and be it further

RESOLVED, That the said committee be empowered to transmit a copy of such statement to the officials of New York Chapter and to any and such other organizations and individuals as, in their opinion, may be interested.

In due time a statement setting forth the council's reasons for reaffirming its policy regarding the use of prescribed text mate-

rial was prepared and transmitted as directed in the resolutions. But this action did not end the matter. On February 20, 1933, by direction of President Frank N. Hall of St. Louis, the educational director sent the following communication to the members of the Executive Council for a mail vote.

Last semester in some of the courses leading to the Standard Certificate New York Chapter did not conform to the regulation of the National Organization regarding the use of Institute textbooks. In other courses the chapter abided by national regulations.

Two months ago I informed the chapter officials that it would be impossible for me to authorize the granting of credit toward the Standard Certificate in the courses in which Institute textbooks were not used unless I received authority to do so from the Executive Council. I informed the chapter officials that before I would ask the Council for such authority, I would have to have definite assurance from them that hereafter they would use our textbooks in all courses where National Organization credit was given toward a certificate.

On February 14 I received a letter from the president of New York Chapter telling me that the following resolution was adopted by the board of governors of the chapter on January 10:

"In all courses leading to the A.I.B. Pre-Standard and Standard Certificates, instructors shall recommend the purchase of the appropriate A.I.B. texts, and such other limited number of texts as may be approved by the instructors and the educational supervisor of New York Chapter."

As Educational Director, I am satisfied that if New York Chapter carries out in practice the content of this resolution, it will meet the requirements of our regulation regarding the use of Institute text material. I have been assured that the chapter fully intends to meet the letter and the spirit of the resolution of the national regulation.

In view of the resolution and the assurance of New York Chapter officials, I am writing to ask you if you will authorize me to grant credit toward the national certificate to students in those courses of New York Chapter where Institute textbooks were not used during this past semester. Considering all the circumstances, I believe such a course of action would be wise at the present time.

The vote of the Executive Council was unanimously in the affirmative.

Textbook Policy

Frequent revision of its teaching material is an indispensable feature of the Institute's unique educational system, since the needs of bank men and women must be met under constantly changing conditions. The educational director, in 1928, was fully alert to the importance of keeping the Institute's text material abreast of the times, and to that end he launched a program for the rewriting of all existing texts and the building of new texts to meet the requirements of the courses that were being added to the curriculum.

Before selecting the authors for revising or writing the eight texts required for the pre-standard and standard courses, the educational director looked the field over carefully. He tried to get men who were authorities in their particular fields, who had had some contact with the Institute as students, teachers, or lecturers, and who were familiar with the art of writing.

A completely revised edition of Commercial Law and the Institute's own text in Analyzing Financial Statements were made available to classes in the fall of 1930. The revision of Negotiable Instruments and the writing of new texts for the courses in Bank Organization and Operation, Economics, Money and Banking, Credit Management, and Bank Management were completed by the fall of 1931. Thus the expanded educational program went into full operation in 1931-1932 with text material that was as thoroughly current as possible.

In a Bulletin article, Let Us Take Stock of Educational Resources, the educational director set forth the Institute's textbook policy in clear and unmistakable terms.

> Our texts are the means by which a certain amount of information is carried to the student. In some places this text material may be the

maximum which it is possible for a given class to absorb. In other localities, with another type of student, it may be that the Institute text will be looked upon as a minimum and that much more than this prescribed material can be absorbed by a particular group. There is no limitation placed upon the amount of subject matter which individual classes and instructors can undertake.

The program of the national organization is to keep its texts in line with the best thought in banking. On the other hand, it cannot change a book simply because some one student or chapter or instructor does not care for it. We cannot expect all people in the organization to approve of or like any given text. That is manifestly impossible. Back of each Institute text, however, there is a history and development. This development has taken place over a period of years in the interest of the welfare of the students and the organization. The national organization will continue to revise its texts as the changes in banking and the development of new material make that revision necessary.

Appraisal of Educational Results

Perhaps the most satisfactory way to appraise the results of the four years of educational effort from 1928 to 1932 is to note certain comments that emanated from three widely different sources: a local chapter, a commission of the parent organization, and an association entirely unrelated to the Institute.

At the beginning of the year 1931-1932 Chicago Chapter's Bank Man commented editorially:

> As it now stands the Standard course represents the most extensive and complete plan in existence to give the man actually doing bank work practical educational aid in adding to and building up his experience, and thus prepare for applying whatever force and ability he may have to the solution of banking problems, both as they may occur in his personal career and in the evolution of the business itself.

The Economic Policy Commission of the American Bankers Association had this to say in its report for the year 1931:

> The work of the Institute we look upon in the purposes of this report not merely as an efficient organization activity, but in its

deeper sense as a dynamic economic force, pouring into banking a broadening, deepening stream of better qualified bankers than could be developed merely by the daily workings of banking itself.

In 1931 the Association for Adult Education, an organization which owes its existence to the Carnegie Foundation, had a survey made of educational experiments in the field of American industry. A report of the survey was published in book form in May 1932. In this book, Educational Experiments in Industry, by Nathaniel Peffer, published by The Macmillan Company, the following statement was made about the Institute:

> In point of numbers this (the A.I.B.) has stamped itself on its field more indelibly and more successfully than any other. In fact, using the word industry in its broadest sense, there is no branch of industry in which the problem of educating employes has been approached with greater thoroughness. There is none in which a higher degree of success has been attained. It is perhaps an easier problem; employes begin at a higher educational level. But success is also partly attributable to intelligently directed effort.

Rearrangement of Graduate Program in 1934

With the standard program strengthened by the addition of four new courses, the educational director was able to turn his attention to the problem of enlarging the graduate program to the point where it would afford better opportunities for standard certificate holders to specialize in the fields of their interest. The first step was to increase the amount of work offered in investments to eighty-four hours and to provide another course in the field of trust business.

Since Analyzing Financial Statements had been moved into the standard group in the fall of 1930, it was no longer available as a graduate subject except to students who received their first Institute credit prior to August 1, 1930. In giving consideration to a possible substitute, the educational director suggested that it might be wise for the Institute to develop a course in the field

of farm credit and thus extend its services to meet the needs of Federal Land bank employees. Such a course, it was realized, would have only a limited appeal to the membership of the Institute generally, but the possibility of cooperating with the Farm Credit Administration in producing a course for land bank employees appeared to have certain advantages. Therefore the Executive Council approved the plan and authorized the national officers to act after proper investigation of the matter.

The enlarged graduate program which became available to standard certificate holders in the fall of 1934 contained the following courses:

Corporation Finance and Investments (Investments I)
Corporation Finance and Investments (Investments II)
Trust Business (Trusts I)
Trust Business (Trusts II)
Farm Credit Administration
Business Forecasting

One bad effect of the three specialized fields in the graduate program was the fact that Investments was a requirement in each field. Under the rules it was possible for a student to acquire *three* special graduate certificates on the completion of only *four* courses, thus becoming a "collector" of Institute certificates.

Changes in Graduate Certificate Requirements 1934-1937

The addition of two courses in the graduate group enabled the Institute to reappraise its policy with respect to special graduate certificates. Beginning in September 1934 the graduate work was grouped under one certificate, to be issued on the basis of hours rather than subjects and to be known as the graduate certificate. From September 1, 1934 to August 31, 1937 the graduate certificate was issued to standard certificate holders on the completion of 126 hours of classwork. The requirement was increased to 168 hours when new graduate courses were

added in September 1937. The granting of special graduate certificates was discontinued in August 1938.

Keeping Text Material Current 1932-1936

In less than a year after the expansion of the pre-standard and standard courses had been completed in 1931, the Institute was faced with the serious problem of how to keep its text material current in the light of the changes in banking laws and in economic conditions that were rapidly taking place. The anti-depression legislation of the early 1930's soon rendered portions of the banking texts out of date, and changes in the economy brought about by the inauguration of the New Deal in 1933 affected the content of Economics.

Extensive revision was impractical for several years, since new material would have become non-current almost before the revised books were off the press. During the summer of 1933 the Institute did the best "repair job" possible on seven of its texts, to take account of changes in banking laws. In addition, from 1932 to 1936 it prepared a number of pamphlets to supplement the text material for certain courses.

A 35-page pamphlet on the Reconstruction Finance Corporation, the Glass-Steagall Amendment, and the Federal Home Loan Bank Act was prepared in 1932 and distributed to Money and Banking classes without charge. The following year it was replaced by a 178-page booklet, Anti-Depression Legislation: A Study of the Acts, Corporations, and Trends Growing Out of the "Battle with Depression." In 1935 a 54-page pamphlet based on the Banking Act of 1935 was issued as a supplement to Money and Banking, and a revised edition of 71 pages was issued in 1936.

In 1934 Current Economic Problems, a 126-page booklet, was issued as a supplement to Economics and was supplied to classes in this subject without charge. A revised edition, prepared in

1935, was furnished to students until 1937, when a new Economics text was made available.

Special Courses During Depression Years

During the depression years the Institute offered three special courses designed to keep the membership informed on the economic, legislative, and monetary events of the period. The first of these courses, Banking and the New Deal, was offered in 1933.

Contemporary Legislative and Banking Problems, a text published in 1934, was a non-technical treatment of the laws, services, and regulations resulting from the economic depression, with special reference to the effect of all these changes on the banking system. A revised edition was brought out in 1935.

Current Monetary Problems, offered in the fall of 1935, contained a discussion of the problems resulting from changes in monetary policies, particularly from attempts to revive business activity through currency manipulations.

The texts for these three special courses were produced in an inexpensive printed form, at a nominal price to students. Each course was intended to be covered in a period ranging from eight to ten class sessions. No examinations were required by the national organization, and the courses carried no credits toward any Institute certificates. All three courses were discontinued after 1936-1937, since the permanent portions of the material found their way into new or revised texts in the latter part of the 1930's.

Farm Credit Administration and Farm Credit Certificate

Beginning in the fall of 1937 Farm Credit Administration was offered as a special course for a period of two years. An arrangement had been made with the Farm Credit Administration in Washington (effective in September 1936) by which the American Institute of Banking would award a farm credit certificate to any Farm Credit Administration employee who

successfully completed two regular Institute 42-hour courses and two 42-hour courses sponsored by the Farm Credit Administration, making a total of 168 class hours. The course in Farm Credit Administration, first offered by the Institute in 1934 and included in the graduate group until the fall of 1937, was considered a special F.C.A. course and not one of the regular Institute courses. If the F.C.A. district wished its training courses to be credited toward the farm credit certificate, the specialized F.C.A. courses had to meet Institute credit requirements. Furthermore, the outline of each course, the instructor, and the examination had to be approved by both the national educational director of the Institute and the director of personnel of the Farm Credit Administration.

The national educational director spent much time and effort on this experiment in cooperating with a government agency, but the procedure established was somewhat involved and the results were of doubtful value. Hence the experiment was abandoned, and both the Farm Credit Administration course and the farm credit certificate privilege were withdrawn after 1938-1939.

Customer Relations

In 1935 the Institute introduced an eight- to ten-session special course, Constructive Customer Relations, based on a series of conferences developed by the Public Education Commission of the American Bankers Association. It could be offered either in local chapters or in individual banks. The text for the course was essentially a discussion, in non-technical language, of the many problems that enter into public relations, with the thought that every bank employee should be in possession of certain facts about the banking business which should be passed on to customers.

In 1939 another course in customer relations was made avail-

able to Institute chapters. This course was based on a series of six booklets, each of which dealt with some specific current economic problem. The series of booklets could be used as the basis for a course to follow Constructive Customer Relations and could be expanded to cover ten or more sessions.

Both Constructive Customer Relations and Customer Relations were discontinued after 1941-1942.

Other Special Courses 1928-1941

Public Speaking was a special course which was intended to be offered on the same basis as certificate courses, that is, 42 hours of classwork. If it was conducted in accordance with Institute requirements for other 42-hour courses and if an oral final examination was given, the credits of students were posted in the national office even though the course could not be applied toward any Institute certificate.

In the fall of 1938 Utilizing the Weekly Federal Reserve Statement was introduced as a special short course. It was of a distinctively advanced character for graduates only and carried no credit toward a certificate. The course did not prove to be popular, and only a relatively few chapters offered it. Nevertheless, the subject was retained in the group of special courses for nearly a decade before being withdrawn.

Revised and New Textbooks 1937-1941

By 1936 the depression seemed to have about run its course, and activity on the legislative and economic fronts had slowed down to the point where it appeared feasible for the Institute to republish some of its text material and to build several new courses.

In the pre-standard group, new texts for Bank Organization and Operation and Economics were made available in the fall of 1937, the latter designated as Economics I. Commercial Law was completely revised in 1940, and the revised edition of Negotiable Instruments made its appearance in 1941.

Two completely rewritten texts for standard courses came off the press during this period, Analyzing Financial Statements in 1939 and Money and Banking in 1940.

A new text for Bank Administration (formerly Bank Management) was made available to all chapters in the fall of 1938, and a new edition of Credit Administration (formerly Credit Management) appeared in final printed form in 1940. These two courses, for reasons explained later, were moved from the standard group into the graduate group in the fall of 1937.

Plans for the revision of the two investments texts and the two trusts books were in the formative stage when World War II made it imperative to postpone work on these books for a few years.

New Courses 1937-1941

The preparation of texts for three new courses to be introduced into the curriculum in the fall of 1937 was undertaken early in 1936. These courses were Economics II, Accounting, and Home Mortgage Lending. Economics II and Accounting were added to the curriculum as requirements for the standard certificate, while Home Mortgage Lending was added as a graduate subject.

Economics II represented an extension of the work in economic principles and problems covered in Economics I; it was essentially a course in business administration.

In the case of Accounting a departure was made from the customary requirement of 42 hours of classroom instruction for each course. It was offered on a 56-hour basis, the increased requirement being justified by the nature of instruction in accounting, which calls for considerable practice work.

The course in Home Mortgage Lending was developed because of increasing interest on the part of banks in home mortgage financing and because housing was a subject on which the

economic thought of the times was largely concentrated. The preparation of a text dealing exclusively with home mortgage investments was evidence of the fact that the Institute was endeavoring to keep its educational progress in step with developments in banking.

By 1940 it had become evident that banks were undertaking the extension of credit to consumers on a considerable scale. Here again the Institute met a need by adding the course in Consumer Credit to its graduate group of studies in the fall of 1941.

The American Institute of Banking has steadily maintained one aim in the development of new texts and in the revision of old ones: to make their quality such that the standards of education within the Institute generally may be raised. This aim has been deemed to be in keeping with the trends in education everywhere.

New Techniques in Text Development

In 1932 the educational director adopted a new technique in the development of Institute texts. His plan was to have the material used in manuscript form in a selected number of Institute chapters in order to obtain the criticisms of instructors before publication of the book in printed form.

Use of Manuscript in Classroom Prior to Publication

The first text subjected to this treatment was Trust Business I, which was taught in Philadelphia Chapter in manuscript form during 1932-1933. It was used in the same form by four chapters, including Philadelphia, during 1933-1934 and was made available to all chapters in bound book form in the fall of 1934.

Philadelphia Chapter performed a similar service for the Institute with respect to Trust Business II during 1934-1935, putting the manuscript through the refining process of the classroom in order to get the reaction of both students and instructor

to the teachability of the material. The text was offered to all chapters in completed form in the fall of 1935.

The Trust Division of the American Bankers Association cooperated with the Institute in the preparation of the two Trust Business texts.

The manuscript for Corporation Finance and Investments II was treated in much the same manner as the material for the books on trust work.

When the Institute undertook its wholesale revision of text material in 1936, arrangements were made to have two of the banking texts, Bank Organization and Operation and Bank Management, rewritten mainly by instructors in Chicago Chapter and taught in manuscript form in the chapter classes prior to their publication in book form. The Bank Management Commission of the American Bankers Association cooperated with the Institute in the preparation of these new texts, as did the Robert Morris Associates in the preparation of new material for Analyzing Financial Statements.

The new texts for Economics I, Analyzing Financial Statements, Money and Banking, and Credit Administration also were taught in preliminary form in a selected number of chapters for one year prior to their publication.

The form in which the author's manuscript was subjected to the refining process varied from time to time. At first the material was mimeographed; later the photo-offset process was used; finally the Institute followed the practice of having the text produced in an inexpensive preliminary printed form. The use of the manuscript in preliminary form was abandoned at the start of World War II, and after that time greater use was made of the critic committee technique, inaugurated in 1938.

The Institute's objective in text production was furthered

Critic Committee Technique

when the practice of having a critic committee work with the author in the preparation of his materials was introduced in 1938. The committee members met with the author to outline the proposed text; they read the manuscript and criticized every chapter, paragraph, or even word if necessary; then they passed upon the final manuscript before it went to the text editor. In this way the Institute was able to benefit from the knowledge and experience of trained bankers or other authorities before placing a text in the hands of its students.

Authors of Institute Texts 1928-1941

The Institute has always endeavored to secure the most capable men possible for the writing of its texts, and it was particularly fortunate in the selection of authors for the books mentioned in this chapter. All of them had had some teaching or other contact with the organization and wanted to have a part in the development of its program. The American Institute of Banking takes great pride in recording the names of those who served so well in the building of its text material from 1928 to 1941.

Samuel Williston, Weld Professor of Law in Harvard University
James M. Landis, Dean of Harvard University Law School
Ira B. Cross, Professor of Economics on the Flood Foundation at the University of California
Willard E. Atkins, Chairman of the Department of Economics at Washington Square College, New York University, and member of the faculty of The Graduate School of Banking
Eugene E. Agger, Director of the Bureau of Economic and Business Research, Rutgers University, and member of the faculty of The Graduate School of Banking
Howell A. Inghram, Assistant Professor of Accounting at Columbia University
Alexander Wall, Secretary and Treasurer of the Robert Morris Associates and member of the faculty of The Graduate School of Banking

George W. Edwards, Head of the Department of Economics at The College of the City of New York and member of the faculty of The Graduate School of Banking

Gilbert T. Stephenson, Director of Trust Research and member of the faculty of The Graduate School of Banking

Ernest M. Fisher, Director of the Division of Economics and Statistics, Federal Housing Administration

H. W. Sanders, Cashier of the First National Trust & Savings Bank, Santa Barbara, California

George D. Bushnell, American National Bank and Trust Company, Chicago, Illinois

Carlisle R. Davis, Assistant Vice President, State Planters Bank and Trust Company, Richmond, Virginia

Joseph J. Schroeder, Executive Secretary of Chicago Chapter, Secretary of The Association of Reserve City Bankers, and instructor of Bank Administration in Chicago Chapter

John H. Lucas, Vice President of the Peoples-Pittsburgh Trust Company, Pittsburgh, Pennsylvania

William I. Myers, Governor of the Farm Credit Administration

The list of those who made outstanding contributions to the Institute's texts during this period, in the form of either original subject matter or criticisms and suggestions, would run into the hundreds.

Rearrangement of Standard and Graduate Programs 1937-1941

Between 1937 and 1941 certain changes were made in the distribution of course requirements for certificates. Subjects that might be described as encompassing the "tools" of banking were confined to the pre-standard and standard groups. Those that might justifiably be regarded as designed for the development of managerial or executive ability were advanced to the graduate group, and chapter officers were urged to insist that no student be enrolled in the graduate courses until he had acquired a knowledge of the mechanics of banking by having earned his pre-standard and standard certificates. By that time, it was thought, his experience in banking and his banking education

would have helped to develop his judgment to the point where he was ready to undertake the more advanced studies.

When Economics II and Accounting were introduced into the curriculum as standard subjects in the fall of 1937, Credit Management and Bank Management were moved into the graduate group under the titles Credit Administration and Bank Administration.

The Institute soon found by experience that Accounting could not be adequately taught in 56 hours; hence in 1941 the course was divided into two parts, Accounting I and Accounting II, each part requiring a full course of 42 hours. Analyzing Financial Statements was moved into the graduate group, thus placing all courses designed to develop executive talent in a group by themselves.

Other changes were made in the graduate program between 1937 and 1941. As already indicated, Home Mortgage Lending was added in the fall of 1937; at the same time Farm Credit Administration was moved from the graduate group into the group of special courses.

In 1940 the title of Business Forecasting was changed to Business Cycles, since this term was more descriptive of the subject matter covered in the course. Finally, Consumer Credit was introduced as a graduate course in the fall of 1941.

Changes in Certificate Requirements 1941

In the early years of Institute work the number of courses available was limited, and a student could acquire the standard certificate on the completion of two, three, and later four courses. Even in the latter part of the 1930's certificates based on the early requirements were still being issued occasionally, although in 1931 the prescribed requirements had been increased to eight courses, four for the pre-standard and four for the standard. The old rule was that a student's requirements

for the standard certificate were determined by those in effect at the time he completed his *first* Institute course. While that rule remained in force, a student was within his rights in asking for his standard certificate on the completion of three or four courses, as may have been the case.

The old rule resulted in inequity, because one Institute member in a bank could secure his standard certificate for three or four courses while another, perhaps in the next teller's cage, had to complete eight.

In 1939, therefore, the Executive Council adopted a resolution prescribing that, effective August 1, 1941, no Institute certificate would be granted on the basis of requirements that dated back more than ten years. This ruling meant that no standard certificate would be issued for fewer than eight courses—the requirements in effect August 1, 1931. Thus all candidates for the standard certificate received equitable treatment, and an advance was made in educational standards.

As a result of adding Accounting to the standard group on the basis of 56 hours, the total number of course hours required for the standard certificate was increased from 336 to 350. This increase, however, was in effect for only four years. When Accounting was divided into two 42-hour courses in the fall of 1941 and Analyzing Financial Statements was moved out of the standard group, the previous requirement of 336 hours was restored.

The main problem of any educational institution centers on its curriculum. It must have a philosophy as well as suitable teaching materials; it must know where it is going. Sometimes curriculum changes are made abruptly, while under other circumstances they are effected gradually.

For many years the function of acting as the guiding body in

Curriculum Building

the development of the Institute's educational program was vested in a board of regents composed of two professional educators, two bankers, and the educational director. Some interesting stories are told of their meetings at which, according to report, the bankers left the initiative to the professional educators and those two could not agree on educational philosophy, on text materials, or on objectives. Even after the board was reorganized in 1927, it did not function as a body. The members were too widely separated to have frequent meetings, and without such meetings constructive work was impossible of accomplishment. The result of the situation was that decisions on policy matters came to be made by the educational director with the approval of the Executive Council.

Curriculum Advisory Committee

The depression of the 1930's gave rise to new conditions that exerted a powerful influence on the work of the Institute. Faced with the necessity of making changes in its curriculum to meet these conditions, the Institute (in September 1935) decided to set up a curriculum advisory committee whose duty it would be to give the educational director advice on the content of the curriculum and on teaching techniques to be followed in Institute classes. All the members of the committee were university graduates and had taught Institute courses; some were Institute graduates and bank officers as well; others were university professors.

Since the curriculum of the Institute breaks logically into groups of courses, each curriculum adviser was assigned a group of subjects in the field of his specialty. All suggestions emanating from Institute leaders, instructors, and students regarding the curriculum or the conduct of the work were presented to the committee members in order that they might have the benefit of various points of view. Thus the curriculum advisory com-

mittee was enabled to perform an outstanding service to the Institute during the period of its text revision and curriculum adjustment following the depression.

By the fall of 1938 the curriculum problems were fairly well solved for the time being, but it seemed desirable to make provision for a permanent body to act in an advisory capacity on educational matters. Disagreement developed in the ranks of the Executive Council with respect to the administration of educational matters. Some members, including President Milton F. Barlow, suggested that the moribund board of regents be replaced by an active board which would perform the proper functions of such a body. This suggestion did not meet with the approval of other council members who knew the history of the old board. After considerable discussion a democratic solution was reached.

Educational Advisory Committee

That solution was the creation (in January 1939) of a standing committee of the Executive Council, at first called the educational committee and later the educational advisory committee. It was composed originally of three members, one from each elective term group on the council, the senior member in point of service on the council being the chairman. Subsequently, three more members were added to the committee.

The function of this committee is that of counseling with the national educational director on matters pertaining to the educational activities of the Institute. The chairman of the committee presides at the educational conference held at the annual convention.

The composition of the committee is such that the members bring to its deliberations the lessons learned from their own experience as students in the Institute, their experience as chapter officers, which usually has included the administration of a

chapter's educational program, their experience as associate councilmen in "selling" the program, and their experience on the council itself. In the very nature of its composition and in its deliberations, the committee represents educational democracy in the formulation and guidance of the Institute's educational program.

All proposals for changes in curriculum, in text materials, in teaching aids, and in educational policy and practice as well as all proposals respecting additions to or eliminations from the courses required for certificates are discussed with the national educational director. His recommendations are given careful consideration but are not necessarily followed. Experience has proved that the innovation in January 1939 was one of the constructive moves in the history of the Institute.

In passing, it may be well to state that the amendment to the by-laws adopted in 1927, providing for reorganization of the regents board, made the appointment of such a board permissive rather than mandatory. Although the board set up in 1927 never actually functioned, the names of the members were carried in the Bulletin as a part of the national administration until 1935. In the absence of any recorded official action taken by the Executive Council, one must assume that the board simply ceased to exist, perhaps by general consent, when the curriculum advisory committee was created in 1935. In any event, the section providing for a board of regents was eliminated when the by-laws were completely revised in 1943.

Educational Policy Developments 1931-1941

When the expansion of the standard program was brought to a total of eight courses in the fall of 1931, Bank Organization and Operation was made a required course for which no credit on the basis of experience was granted, no matter how many years a man or a woman had been employed in banking. That course

Credit for Banking Experience

was regarded as basic in the educational program. Hence every student whose requirements for the standard certificate were determined by those in force in the fall of 1931 and thereafter had to take Bank Organization and Operation.

During the years immediately following 1931, the educational director received many applications from students seeking credit for the beginning course on the basis of experience, but all such requests were refused. After considerable pressure had been exerted to have the ruling changed, the educational director referred the question to the Executive Council in June 1936. The council studied the matter carefully and then decided to make no change in the rule. Time and time again during the next five years the question of equivalent credit for Bank Organization and Operation was brought before the council because of dissatisfaction on the part of students, but each time the council found no reason to modify the rule.

Change in Basis for Course Grades

Another policy development had reference to the basis for determining course grades. In January 1937 the Executive Council decided to abolish the 25% credit bonus for attendance. Therefore, beginning with the fall of 1937, course grades were computed on the basis of 50% for classwork and 50% for the final examination, the minimum passing grade for each course remaining the same as before, 75%. The council resolution adopted at that time also required 80% attendance at class sessions. A student whose attendance record fell below 80% became ineligible to take the final examination, and no exception to this rule could be made without the written approval of the national educational director. The established policy of the educational director was (and still is) that of permitting allowance to be made for absences in excess of 20% only when they were due to illness, overtime work at the bank, or other unusual causes.

Credit for Equivalent Work

The matter of granting credit for equivalent work done in other educational institutions was one of policy importance to the Institute. Under various resolutions of the Executive Council, as explained earlier in the chapter, the national educational director had been given authority to exercise his discretion in granting Institute credit for Commercial Law, Negotiable Instruments, Economics, and Money and Banking on the basis of equivalent work. In 1937 the authorization was extended to include Economics II and Accounting, and this authorization, of course, was applicable to Accounting I and Accounting II in 1941.

The standard adopted was that the course should have been completed in an accredited institution, that is, one appearing on the list published by the Office of Education of the United States Department of the Interior. But in no case could a student be granted equivalent credit for more than 50% of the courses required for either the pre-standard or the standard certificate.

Chapter Affiliations with Other Educational Institutions

The affiliation of chapters with other educational institutions had important policy implications. As the American Institute of Banking had developed its own distinctive approach to adult education over the years, there had become firmly established the belief that its educational program could be administered by men and women who were not professional educators, that the experience gained by bank people in carrying on the local chapter programs was invaluable in their personal development. Therefore, the Institute had long been opposed to moves made either by other institutions or by its own chapters that would have the effect, directly or indirectly, of bringing the local educational programs under the control of professional educators. A specific statement of this policy seemed desirable; hence the educational advisory committee, in its report to the Executive Council in 1941, stated that, in its considered judgment, such connections

were not in the best interests of either the local units or the Institute nationally. The committee also urged that further affiliations of this kind be actively discouraged, and it pointed out their disadvantages both to the local units and to the students.

Three other outstanding events of the 1930's merit a place in the story of the Institute. Two of them are described in the remainder of this chapter. The third event, the inauguration of a faculty house organ, is described in a subsequent chapter.

Radio Commencement Exercises

Soon after joining the Institute staff, Dr. Stonier began a campaign to encourage chapters to make more of their graduation exercises. Several of the chapters had impressive commencement exercises, but the graduation ceremony in most chapters, he found, was "a rather sad spectacle," for it was held in connection with some banquet or other activity which did not add to the dignity and importance of Institute graduation.

In January 1932 President Henry J. Mergler appointed a special committee to consider, among other matters, the possibility of holding graduation exercises on a national scale. At the June 1932 meeting of the Executive Council the special committee reported in favor of the idea and recommended that a committee be appointed to make preparations for graduation exercises beginning with the fall of 1933.

The incoming president, Frank N. Hall, appointed a committee of twelve members, charged with the duty of making arrangements for conducting graduation exercises on a national scale through the use of the radio. Earl V. Newton, a member of Cleveland Chapter and assistant secretary of The Cleveland Trust Company, was made chairman of the committee.

The fall of the year rather than the spring was selected for the Institute's national commencement because it was believed that a fall date would tend to emphasize the importance of the

educational work at a time when chapters were registering students for courses.

In the summer of 1933 Dr. Stonier announced that the first national radio commencement exercises would be held sometime in September. The chapters were asked to cooperate, either by having a commencement, if they had not already held one, or by having an open meeting at which fifteen or twenty minutes could be used to receive the national broadcast. Dr. Stonier also announced that the Honorable Newton D. Baker of Cleveland, former Secretary of War, would be the guest speaker.

On Saturday evening, September 16, 1933, at eight o'clock, eastern standard time, groups of Institute members in more than 200 cities met to participate in the first nationwide commencement exercises ever held by an educational organization. This occasion was made possible through the courtesy of the National Broadcasting Company, which offered its facilities for the coast-to-coast hook-up. Forty-two stations of the N.B.C. carried the Institute program.

Precisely on the hour Dr. Stonier briefly described the educational work of the American Bankers Association, especially the educational work of the American Institute of Banking, and introduced Newton D. Baker. Mr. Baker then addressed the assembled groups of Institute members and graduates on the subject Educated Bankers.

Four more successful radio commencement exercises were conducted through the courtesy of the National Broadcasting Company, the Institute receiving about $50,000 of valuable radio "peak time" in the fall of the year. The dates and speakers on these occasions were as follows:

September 4, 1934, the Honorable J. F. T. O'Connor, Comptroller of the Currency of the United States

September 9, 1935, Dr. Rufus B. von KleinSmid, President of the University of Southern California

September 9, 1936, the Honorable Joseph A. Broderick, Member of the Board of Governors of the Federal Reserve System

September 10, 1937, Branch Rickey, Vice President and General Manager of the St. Louis Cardinals

During the early 1930's there was a growing sentiment for the development of some means of offering advanced educational opportunities to bank officers. The national educational director was of the opinion that such a program could be started by the American Institute of Banking with support from the American Bankers Association. In the fall of 1932 the Executive Council of the Association directed the Public Education Commission to study and report upon the possibility of establishing a graduate school of banking. The commission presented its report to the Executive Council of the Association in October 1934, and that body approved the proposed plans for the establishment of The Graduate School of Banking.

The Graduate School of Banking

The matter of having the necessary action taken by the American Institute of Banking was brought to the attention of the Institute Executive Council at a meeting on January 15, 1935. After some discussion, the council adopted the following resolution:

RESOLVED:

That the American Institute of Banking does hereby establish, as part of its activities, a graduate school to be known as The Graduate School of Banking;

That the National Educational Director of the American Institute of Banking shall be the Director of The Graduate School of Banking, and the National Secretary shall be the Registrar of said school;

That a Board of Regents shall be appointed to assist the Director of The Graduate School of Banking;

' ' ' '

That the Director of The Graduate School of Banking, subject to the approval of the Board of Regents, be, and he hereby is, authorized and empowered to determine the extent and scope of the curriculum to be adopted for the said school and to engage the necessary teaching staff.

The resolution also listed the personnel of the first board of regents, specified two years as the terms of the members of the board, provided for the appointment of their successors, and named the ex officio members and the secretary of the board.

The work of The Graduate School of Banking was carried on with such success during the next three years that the Executive Council of the American Bankers Association, at its spring meeting in April 1939, decided to give the school an independent status in the Association family. However, close contact between the two educational arms of the Association was maintained by having the Institute president and vice president serve on the board of regents of the Graduate School.

This chapter has carried the story of educational developments only to the eve of America's entrance into World War II, for the reason that the war years brought problems which called for special treatment. Therefore, an account of what happened in the Institute "after Pearl Harbor" will be made the subject of a later chapter.

In bringing to a close this record of perhaps the most difficult but certainly the most productive period in the history of the Institute, no more fitting sentiments could be expressed than those contained in the address of the national educational director at the Boston convention in July 1940.

Time will not permit me to review the educational record of this organization in the thirteen years in which I have been pleased and privileged to be associated with it. I have watched in those thirteen

High Ideals

years men and women in this organization go through the fire of the worst economic depression this country has ever known. But up until the present hour, I have yet to see any lessening of enthusiasm, any diminution of the high ideal which has animated this organization all through the years, any lessening of the interest in furthering the cause of the Institute.

I have seen you, in the face of this depression, face the problem of advancing the standards of educational achievement; I have seen you take on yourselves added responsibility in the way of additional hours of accomplishment for the standard certificate. And, more pleasing than all else, I have seen you win by sheer merit and achievement the recognition and the good will of all the alert and aggressive managers of banks in America who see in this organization whatever there really is to justify the existence of chartered banking in America.

I could review for you step by step the progress of the men who have come to these conventions in the past thirteen years. But the important thing pleasing to me now is that we still have in abundance the same type of pioneer spirit which animated those men who laid its foundation thirty and forty years ago. Ours are different methods and different techniques, because of new times and changed conditions; but essentially what was there in the fiber of character is here now; what was there in the way of possibility has in a measure been realized. But we must never forget that this Institute will never be old enough to outlive the dreams which those men who built it had for it.

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XXIV

Administrative Progress

THROUGHOUT its history the American Institute of Banking has taken pride in the fact that it has adapted itself to changing conditions and has met emergencies with courage and intelligence. It was called upon to do these things in full measure from 1928 to 1941, because in this period it had to face and solve the difficult problems growing out of the most severe economic and business depression in the life of the country. The Institute's educational record during these years has been set forth in the preceding chapter. This chapter presents the record of gains made along administrative and governmental lines.

From the beginning of 1928 to the fall of 1929 Institute leaders and administrators were imbued with a spirit of confidence in both the immediate and the long-run future of the organization, and with good reason. For a program designed to give students the broader training required by the increased tempo of business and banking had been inaugurated and was well on the way to completion.

The prevailing note at the Tulsa convention in June 1929 was one of great optimism. President Frank M. Totton, who had visited eighty-five chapters in thirty-seven states during his term of office, presented a report showing growth beyond mere figures. "Our courses not only are *more* in number," he said, "but they are better and more thorough in content. Our student body likewise represents not merely a larger total enrolment but in its general level a more serious life purpose, as reflected in a steadily decreasing class mortality rate. Judged by all the commonly

accepted standards of measurement, the Institute is moving steadily on to bigger and better things. Each year marks an advance in quantity and in quality."

Chapter classes started in the fall of 1929 with record enrolments, and there appeared to be no cloud in the banking sky. Then something startling happened. The securities market passed through the throes of a violent collapse, causing upheavals in financial and banking circles. For a time the uncertainty of the employment situation impaired the membership of the Institute, seriously affected its educational work, and even threatened to break down the morale of the organization. But the Institute spirit rose supreme and saved the day.

The Institute Spirit Conquered a Great Depression

In the words of President W. J. Evans, "When Institute leaders found themselves confronted with a situation that threatened to seriously disrupt the membership and progress of their chapters, there surged up within them the unconquerable Institute spirit that converted defeat into victory. As a result, instead of suffering a heavy loss in membership and a serious breakdown in class enrolments, I am able to report that the Institute not only has improved the quality and quantity of its educational output, but it has enjoyed the largest increase in its national membership that has been recorded in several years. The credit for the remarkable growth in our membership this year goes to the faithful and diligent chapter workers, to the national membership committee, and to the members of the Executive Council."

In paying tribute to those who had helped make his administration a success, President Evans concluded with these words: "In the crucible of a common cause men of their type melt their talents, energies, and ambitions, purify their motives, and fuse their very lives together for the sake of the organization they serve. It is this spirit which makes the Institute what it is today

and which will make it the still greater thing it will be tomorrow —the spirit unconquerable!"

The incoming president, Ben Aley of Denver, assumed his office with such ardent devotion to duty that his administration stands as a monument to the cause of banking education. During his term he visited 115 chapters in all parts of the country and traveled nearly 45,000 miles, consuming approximately six months' time. His annual report at the Pittsburgh convention in 1931 reflected the spirit of the men and women who helped carry the Institute to the highest point achieved in the three decades of its history. In fact, in the eighteen years that have elapsed since that time up to 1949-1950 the peak record of class enrolments and individual students attained during 1930-1931 has not been equaled, and the membership record has been surpassed only since 1946-1947.

This is the tribute President Aley paid to those through whose efforts the Institute made almost unbelievable gains in a depression year:

> You men and women before me today and the thousands you left at home have been building wisely and well in this year. You have stepped into the picture when you were needed and have given so freely of your time and energy that the job, which at its best a year ago seemed to be limited to a struggle to keep even or from going back, soon resolved itself into an extraordinary story of growth and new records which only a typical hard-working, self-sacrificing Institute group could tell.
>
> You men and women who have led in our national organization—you national committee chairmen and committeemen, associates to our Executive Councilmen, Executive Councilmen, and my successor in office—and you men and women who are on your way to positions of leadership have resolutely faced the problems of an unprecedented period of depression in business, and the readjustments of an era of mergers, to carry our ship through the locks to new high levels.

We are indebted to Minneapolis Chapter of the American Institute of Banking for a very practical Institute creed. Here it is:

CREDO

I believe in the American Institute of Banking because its record of achievement justifies my faith in it.

I believe in the American Institute of Banking because it is a forceful, vibrant, far-visioned organization — the greatest organization for adult education in the world with a membership of 74,000 persons and with more than 49,000 enrollments in Institute courses.

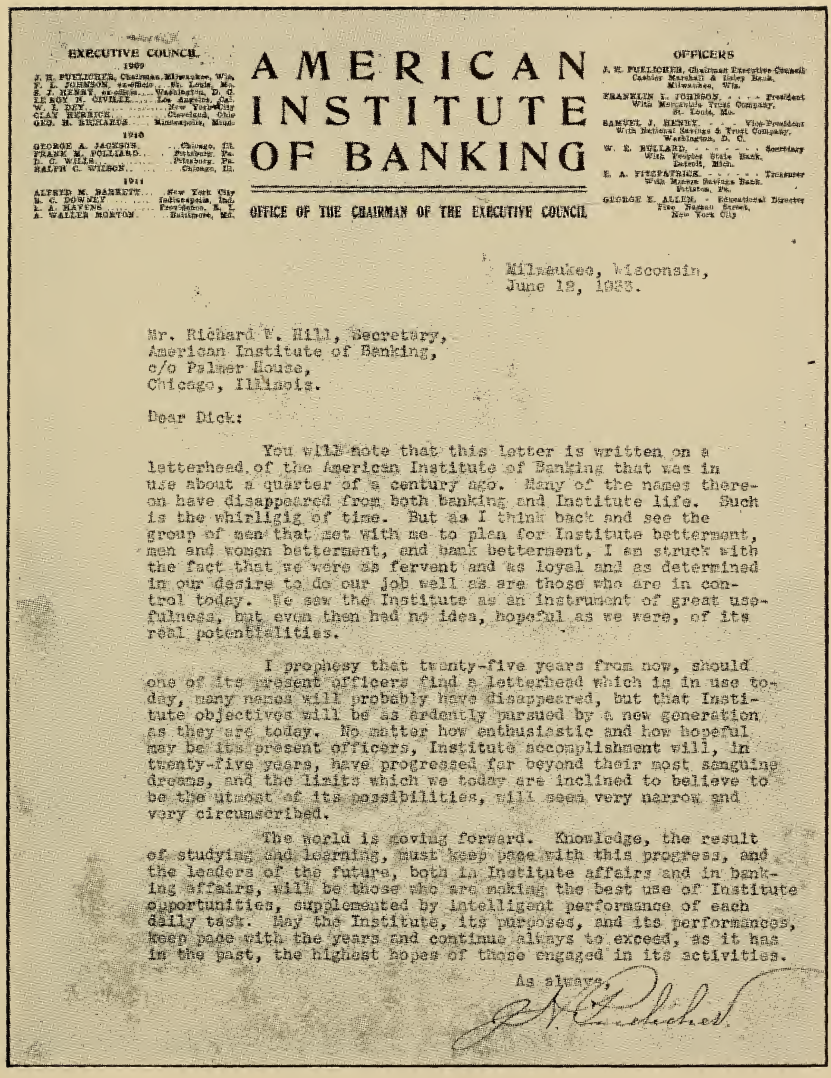
I believe in the American Institute of Banking because it is progressive; because its text books are constantly revised to meet changing economic conditions and new courses are added to its curriculum as occasion demands them.

I believe in the American Institute of Banking because it has ideals; because it helps the individual to help himself; because it arms its members with implements of knowledge by coordinating practical experience in the field of banking with technical training regarding it.

I believe in the American Institute of Banking because it is a democratic organization — a human organization — national in scope, where activity either in the local chapter or in the national field promotes initiative, develops latent executive ability, widens acquaintanceship in the banking fraternity, and fosters group-mindedness.

I believe in the American Institute of Banking because of its future — a future made bright by the enthusiasm, loyalty, and caliber of its members; by their seriousness of purpose, and by their high resolve to prepare through the Institute to meet the banking challenge of the future clear-eyed and well informed.

(Reprinted from October 1931 Bulletin)



EXECUTIVE COUNCIL

1909

J. H. PUELICHER, Chairman, Milwaukee, Wis.
F. L. JOHNSON, ex-officio, St. Louis, Mo.
S. J. HENRY, ex-officio, Washington, D. C.
LE ROY M. CIVILLE, Los Angeles, Cal.
W. I. DEY, New York City
CLAY HERRICK, Cleveland, Ohio
GEO. H. EDMARDS, Minneapolis, Minn.

1910

GEORGE A. JACKSON, Chicago, Ill.
FRANK M. POLLARD, Pittsburg, Pa.
I. C. WILLS, Pittsburg, Pa.
RALPH C. WILSON, Chicago, Ill.

1911

ALFRED M. BARRETT, New York City
B. C. DOWNEY, Indianapolis, Ind.
I. A. HAVENS, Framingham, Mass.
A. WALKER NORTON, Baltimore, Md.

AMERICAN INSTITUTE OF BANKING

OFFICE OF THE CHAIRMAN OF THE EXECUTIVE COUNCIL

OFFICERS

J. H. PUELICHER, Chairman Executive Council
Cashier Marshall & Ilsley Bank,
Milwaukee, Wis.

FRANKLIN L. JOHNSON, - - - - President
With Mercantile Trust Company,
St. Louis, Mo.

SAMUEL J. HENRY, - - - - Vice-President
With National Savings & Trust Company,
Washington, D. C.

W. E. BULLARD, - - - - - Secretary
With Peoples State Bank,
Detroit, Mich.

E. A. FITZPATRICK, - - - - - Treasurer
With Mineola Savings Bank
Mineola, N.Y.

GEORGE E. ALLEN, - Educational Director
Five Nassau Street,
New York City

Milwaukee, Wisconsin,
June 12, 1933.

Mr. Richard W. Hill, Secretary,
American Institute of Banking,
c/o Palmer House,
Chicago, Illinois.

Dear Dick:

You will note that this letter is written on a letterhead of the American Institute of Banking that was in use about a quarter of a century ago. Many of the names thereon have disappeared from both banking and Institute life. Such is the whirligig of time. But as I think back and see the group of men that met with me to plan for Institute betterment, men and women betterment, and bank betterment, I am struck with the fact that we were as fervent and as loyal and as determined in our desire to do our job well as are those who are in control today. We saw the Institute as an instrument of great usefulness, but even then had no idea, hopeful as we were, of its real potentialities.

I prophesy that twenty-five years from now, should one of its present officers find a letterhead which is in use today, many names will probably have disappeared, but that Institute objectives will be as ardently pursued by a new generation as they are today. No matter how enthusiastic and how hopeful may be its present officers, Institute accomplishment will, in twenty-five years, have progressed far beyond their most sanguine dreams, and the limits which we today are inclined to believe to be the utmost of its possibilities, will seem very narrow and very circumscribed.

The world is moving forward. Knowledge, the result of studying and learning, must keep pace with this progress, and the leaders of the future, both in Institute affairs and in banking affairs, will be those who are making the best use of Institute opportunities, supplemented by intelligent performance of each daily task. May the Institute, its purposes, and its performances, keep pace with the years and continue always to exceed, as it has in the past, the highest hopes of those engaged in its activities.

As always,

J. H. Puelicher

An Historical Document

THIS letter was read at the closing session of the Chicago Convention. John H. Puelicher (who wrote it in 1933) was chairman of the Institute Executive Council in 1909. Although this title may not sound as impressive as that of President of the American Institute of Banking, actually it is equivalent to it, for in those days the President had only one duty—that of presiding at the Annual Convention—and the real burden of the administration rested upon the chairman of the Executive Council. The writer of this letter stood, twenty-five years ago, where his son, Albert S. Puelicher, stands today.

Words are inadequate to tell the story. Figures speak surely; so here they are:

223 chapters, an increase of 15
108 group study classes, an increase of 40
74,049 members, an increase of 4,703
48,778 class enrolments, an increase of 3,806
43,400 students, an increase of 6,050.

But if we expect to continue as one of the bulwarks of American banking, we must keep the Institute ship true to its course, steering it carefully through new locks to higher levels of accomplishment; we must continue to build local leadership; we must intensify our promotional activities and keep pushing our educational standards ahead, in order that at this stage of need in so many parts of banking America the opportunity to get a specialized training in the principles and practice of sound and effective banking may be afforded to every bank man and woman in our country.

The large volume of text material produced from 1930 to 1934, including several pamphlets on problems growing out of the depression, placed a great strain on Institute finances. As has always been the case in such emergencies, the parent organization came forward with assistance. As a formal expression of appreciation, the Executive Council, at its meeting on January 18, 1934, adopted the following resolution unanimously:

Executive Council Resolution on Cooperation with Banking System

The officers and members of the Executive Council of the American Institute of Banking express to the American Bankers Association our sincere appreciation of the continuing support and encouragement of that body.

We reaffirm our adherence to the best traditions of the banking system of the United States, and our loyalty and cooperation in all well designed efforts to strengthen that system and to promote the best interests of our governments, national, state, and local, of the general banking public, and of the financial institutions that serve them.

We will, with unremitting effort and zeal, continue our program to raise the general standards of banking practice by means of a con-

stantly improving system of instruction placed at the disposal of the official and clerical forces of our banks and trust companies.

Functions of the Executive Council

In the administration of Institute affairs, the Executive Council is charged with the responsibility of determining educational, administrative, and promotional policies, of collaborating with the full-time officers and the national committees in carrying out those policies, of deciding other matters that properly come before it, and of governing the conventions, conferences, and other interchapter activities.

Besides acting as a governmental or policy-making body, meeting twice a year for this purpose, the members of the Executive Council perform administrative functions in the territories assigned to them. Their responsibility locally embraces not only the duty of keeping in touch with existing Institute units but also that of organizing new chapters and the still greater task of extending the facilities of the Institute to rural communities—a responsibility that has always presented a great organization problem and a challenge to the ingenuity of Institute leaders.

In the 1920's the group study plan was devised as a practical means of extending the advantages of Institute work to bank employees in country areas. But because of the large number of communities to be reached and the distances by which they were separated in many sections, little progress was made in tapping this vast field. The task of acting as a selling force for that purpose was too great to be handled by the twelve members of the Executive Council without assistance. Hence, as was indicated in Chapter XXI, the Executive Council decided to experiment with the plan of having advisory committees for executive councilmen. This plan was given a trial in selected states during 1927-1928 and was continued through 1929-1930.

At a council meeting in June 1930 the suggestion was made

Appointment of Associate Councilmen

that there be appointed from each state as many men as seemed necessary to assist the executive councilmen in promoting group study classes and in organizing chapters, each man to be designated an "associate of the executive councilman in charge of that state." The council approved the suggestion, and the plan was put into operation immediately.

At first the term "associate" was used to apply to these field workers, but this designation caused some confusion because of their tendency to sign correspondence as "associate executive councilmen," which was a misnomer. Therefore, at a meeting on February 17, 1937 the Executive Council ruled that associates should be designated "associate councilmen," and it was suggested that the names of newly appointed associate councilmen be published in the October issue of the Bulletin each year.

Questions regarding the appointment of associates were brought up at council meetings from time to time. On June 16, 1933 Vice President Charles F. Ellery, who had been requested by President Albert S. Puelicher to present a report on the subject, stated that the appointment of associates, in his opinion, should be neither a routine matter, with the same appointments year after year, nor a matter of choice solely because of personal liking, but that appointments should be based primarily upon the qualifications of the appointees for the duties to be assigned to them. Mr. Ellery reminded the council of the established policy that each associate was expected to work only through his executive councilman and that he should not be permitted to travel on his own initiative.

In January 1934 it was decided that the appointment of an associate should be for a one-year term, recommendation for a further term of service being entirely discretionary with his executive councilman.

At a council meeting on June 11, 1937 President Frank R. Curda stated that recommendations for associate councilmen should be sent to the national secretary and by him referred to the president for official action.

The number of associates appointed each year beginning in 1930 has varied, depending upon the recommendations of the councilmen. The first list published in the Bulletin, that for the year 1937-1938, contained the names of forty-eight associate councilmen grouped according to the councilmen under whose direction they were to serve.

The addition of associate councilmen to the national organization has had several noteworthy results. First, it has freed the executive councilmen of many routine duties connected with their office, thus giving them the time necessary for the exercise of their policy-making functions. Second, the use of associate councilmen has greatly facilitated the work of organizing new chapters and of extending the educational advantages of the Institute into rural areas through the formation of group study classes (later called study groups); and over a period of two decades these assistants to the executive councilmen have proved to be excellent selling agents in the territories assigned to them. Third, associate councilmen have been the group from which new members of the Executive Council logically have been chosen. Because of their experience in the field, they have brought to the deliberations of the council many suggestions that have been the result of seasoned judgment and thus have contributed substantially to the strength of the governing body.

On only three occasions from 1928 to 1941 were the by-laws of the Institute subjected to amendment.

For several years following the adoption of section 8 in 1926, the nominating committee experienced difficulty in carrying out

Amendments to Institute By-Laws

the provisions pertaining to its duties. Therefore, in January 1931 a committee was appointed to revise this section. The redrafted section received the necessary approval, was published in the April 1932 Bulletin, and was adopted at the Los Angeles convention in 1932.

Section 9 of the by-laws gave the Institute president authority, with the written approval of a majority of the Executive Council, to fill a vacancy on the council occurring between two successive conventions, but this authority was effective only until the next convention, when the vacancy was filled by election. In January 1938 the chairman of the nominating committee suggested changing the section to provide that the appointment under these conditions should be for the whole of the unexpired term, thus obviating the necessity of a special election. A proposed amendment of section 9 was approved by the Executive Council and, after the necessary steps had been taken, was adopted at the Louisville convention in June 1938.

Proposed amendments of sections 3 and 5 were presented to the Executive Council at its midwinter meeting in January 1939, were approved, and subsequently were adopted at the Grand Rapids convention in June of that year. Section 3 as amended made provision for the establishment of a new type of Institute unit, the study group, and for the conduct of correspondence work by the Institute itself instead of through the Correspondence Chapter. By the amendment of Section 5, voting privileges at the annual convention were extended to study groups and to correspondence students under regulations prescribed by the Institute.

Sections 3, 5, 8, and 9 as amended appear in Appendix VI.

During the 1930's there was an increasing tendency for the larger chapters to establish small groups in outlying areas as

Chapter Branches

branches of their organizations. In February 1937 the Executive Council decided to have certain rules drafted for the regulation of these branches, and President Henry Verdelin appointed a committee for that purpose. Councilman Earl V. Newton, chairman, presented the committee's report to the Executive Council in June 1937.

The rules drafted by the committee specified the minimum number of students necessary to form a chapter branch, indicated the length of time the parent chapter must have been in successful existence, and contained provisions regarding the distance of a branch from the chapter city, the amount of dues to be paid by its members, representation on the board of governors of the supervising chapter, the proper manner of designating the branch, and the branch officers, instructors, and educational data.

To give the branches a national identity, the committee suggested that they be listed in the Bulletin under the heading of "chapter branches."

The committee's report was adopted, and the chapter branch idea met with a degree of success for several years. Gradually, however, local chapters found the formal operation of branches a somewhat cumbersome procedure and abandoned that method in favor of extending their educational facilities in outlying areas by means of regularly established chapter classes.

After a decade of experience with chapter branches, this type of organization was discontinued by action of the Executive Council on January 30, 1947.

For some time prior to 1937 the chapters in certain parts of the country had been holding annual officers conferences without the sanction of the national organization. The pioneer in this activity was the northwest chapter officers conference, which

began holding meetings about 1925. Several other conference groups came into existence in the 1930's, among them the northern California, the southern California, the southeast, and the fourth district chapter officers conferences, as well as the conference of New Jersey chapters.

Regional Chapter Officers Conferences

In February 1937 the subject of chapter regional conferences was presented to the Executive Council for consideration. After some discussion President Henry Verdelin appointed a committee to study the matter and to make recommendations. The committee, of which Councilman R. W. Nuckols of Richmond was chairman, presented a report at the June 7, 1937 council meeting. The committee stated that, inasmuch as regional conferences had been helpful to chapters in some sections of the country, it recommended that the Executive Council sanction the holding of such a conference in any national committee district provided the request and the need for it were approved by the executive councilman in that district. Continuing its report the committee said:

> Annual conferences are approved but not recommended. Some districts are too widely scattered to justify a meeting, while biannual meetings will be sufficient in other territories. We do not feel that conferences should be held in districts adjacent to the annual convention city because attendance at the national convention is possible for all local chapter officers and committeemen and it is preferable to the regional conferences.
>
> Conference speakers should be selected from the members of the national committees from the district covered by the conference, with only necessary additions.
>
> The entire conference program should be devoted to the educational program of the Institute and the discussions of local chapter problems. No political activities for candidates or convention cities shall be permitted.
>
> The conference should be directed by the member of the Executive

Council in that territory, who should preside and lead the discussions in the proper channels.

Expenses of the host chapter for the conference should be limited to necessities, with not more than one day allowed for the meeting.

Attendance at the conference should be limited to the officers and chairmen of important chapter committees and to district members of the national committees, in order to be most beneficial to the local chapter.

The report was adopted by the Executive Council. And with regional conferences thus given an official standing, they gained in popularity, especially during World War II. Their development in the war period will be described in a later chapter.

Staff Changes

At the annual convention of the American Bankers Association in the fall of 1937, the Institute's national educational director, Dr. Harold Stonier, was elected executive manager and its national secretary, Richard W. Hill, was elected secretary of the Association. They continued to serve the Institute for a period of nearly three years, however, and two assistants were added to the national office staff on November 1, 1937 to help them carry on their Institute duties.

William A. Irwin, the assistant educational director, received his early education in Scotland and acquired most of his higher education in Canada, first at McGill University in Montreal and then at Queen's University in Kingston, Ontario. For sixteen years before joining the Institute staff, he was head of the economics department at Washburn College, Topeka, Kansas. Along with his teaching activities he studied law and received the degree of LL.B. from Washburn College in 1934. In addition to his instructorship in economics, he had a broad background of teaching experience in money and banking, corporation finance, and commercial law.

Floyd W. Larson, the assistant secretary, was executive secre-

tary of Minneapolis Chapter for eight years and a class instructor for three years during that time. Prior to his connection with Minneapolis Chapter he was in the employ of the Federal Reserve Bank of Minneapolis for eleven years. A graduate of the American Institute of Banking and of the Alexander Hamilton Institute, he supplemented his banking and business education by taking special work at the University of Minnesota. His experience in banking and in chapter administrative work gave him the background essential for the assistant secretaryship in the Institute.

Assistant Educational Director Irwin was given the title of Associate Educational Director in April 1939.

At the Boston convention of the Institute in June 1940, Dr. Stonier announced his resignation as educational director and the elevation of William A. Irwin to that post, mentioning the fact that the new educational director had recently been awarded the honorary degree of LL.D. by Washburn College. Dr. Stonier also announced the resignation of Richard W. Hill as national secretary and the advancement of Floyd W. Larson to that position.

Commenting further on these staff changes, Dr. Stonier said: "Although Mr. Hill and I are relinquishing our titles in the Institute organization, we shall continue to serve without portfolio. Of the many divisions, sections, commissions, and departments constituting the vast organization known as the American Bankers Association, it was in this section that we found our first and primary interest, and without prejudice to any of the others I know it will continue to be our first interest."

For many years the Executive Council had no standing committees. Then, as indicated in Chapter XXI, the appointment of a budget committee was authorized by the Executive Council

Council Standing Committees

in 1925, and the appointment of a nominating committee was authorized under section 8 of the by-laws adopted in 1926. Eventually, the transportation committee also became a standing committee of the Executive Council.

In 1939 two new standing committees were appointed. One of them was termed the educational committee, and its name, as already stated, was changed to educational advisory committee in 1940. The other council committee was first designated chapter affairs to distinguish it from the national chapter administration conference committee. The national committee was discontinued after 1939-1940, and the name of the chapter affairs committee was changed to chapter administration committee.

In addition to these two new standing committees the budget committee, which had practically ceased to function during the 1930's, was revived in 1939 and was given broad powers "to consider those affairs of a financial nature with which the Executive Council is concerned."

Thus by 1940-1941 there were five council standing committees: budget, chapter administration, educational advisory, nominating, and transportation, each with a personnel of three members.

In 1927, exclusive of program and transportation, there were nine national committees: chapter presidents conference, departmental conference, forum, membership, public affairs, public education, publicity, public speaking and debate, and women's.

National Committee Changes 1928-1941

In 1928 the name of chapter presidents conference was changed to chapter administration conference committee, and the single public speaking and debate committee was replaced by two committees, one for debate and the other for public speaking activities. The organization for national committee

work thus set up in 1928 remained unchanged until 1940 except for the addition of the radio commencement committee from 1933 to 1938. The name was changed to commencement committee in 1938, and the committee was discontinued after 1938-1939.

The chapter administration conference committee, as already noted, was discontinued after 1939-1940, and its place was taken by chapter administration, a council committee. In 1940 the name of the forum committee was changed to forum and seminar, while membership became membership and enrolment. Public affairs and public education were replaced by one committee, public relations. The research committee, whose work is referred to later in the chapter, was added to the national list in 1940. The committee set-up in 1941 was the same as that in 1940.

Eighteen permanent committee districts were established in 1937, to make it easier for the eighteen members of each of the national committees to maintain close contact with the local committees in carrying on their activities and to insure continuity of experience by having special information about local problems transmitted from one national committee member to his or her successor in that district.

Bulletin of the American Institute of Banking

At the same time that Mr. Hill resigned his position as national secretary, he relinquished his editorship of the Bulletin, effective after the July 1940 issue. The new national secretary succeeded him as editor and within a few months acquired an assistant, Robert D. Hammer, to handle the details of publication.

The Bulletin had been published in pocket size ever since its separation from the Journal of the American Bankers Association in 1918. A survey of Bulletin readers, made in 1939, had revealed the fact that certain changes in the publication were

desirable; hence beginning in the fall of 1940 the Bulletin was issued in magazine size with an entirely new format and cover design. The month of the fall issue was changed from October to September.

The first four issues of the periodical in its new "dress" were published in connection with Banking, Journal of the American Bankers Association. This arrangement proved not to be feasible, and beginning with the October 1941 issue the Bulletin reverted to its former status as a separate publication.

New Emphasis on Objectives

President Harry R. Smith, at the beginning of his administration, outlined two important objectives to be accomplished during 1939-1940: the opening of new fields for the Institute and more intensive cultivation of the areas served by local units.

In order to discover the possibilities of extending the Institute into new areas, the national organization made a systematic survey based on data obtained by special arrangement with the United States Bureau of the Census. These data showed the number of employees and officers in banks and other financial institutions, by counties, in each state. When the information had been compiled and published, it was made available to executive councilmen and associate councilmen to assist them in determining chapter and study group prospects.

The census material also was useful to chapter leaders in mapping out their promotional campaigns for cultivation of their fields.

To improve the quality and effectiveness of the advertising material supplied to local chapters by the national office, an advertising committee was appointed in 1940. This committee, in cooperation with the chairman of the publicity committee and with the help of experienced advertising counsel, conducted a survey of the advertising needs of local chapters and outlined a

plan of action. Some useful and attractive advertising material was developed as a result of the survey.

Two other steps were taken in 1939-1940 to facilitate the work of executive councilmen and associate councilmen in supervising and organizing Institute units. A system of activity sheets was devised for the recording of pertinent information about each Institute unit, and copies of these sheets were supplied to the councilmen. Next, a system of report sheets was developed for the use of associate councilmen in making reports to their executive councilmen.

Closer Relationship with A.B.A.

In his inaugural address at the Boston convention in June 1940, President J. L. Dart stated that a major objective of his administration would be the development of a closer working relationship with the various divisions, sections, and commissions of the American Bankers Association. In the September 1940 Bulletin he explained how this objective might be attained.

> A complete understanding of the mutual problems and policies of the American Bankers Association and the American Institute of Banking must precede cooperation and confidence. To this end the Institute has enlarged the scope and effectiveness of its public relations program. Through the coordinating of its efforts with those of the American Bankers Association and of the state bankers associations many opportunities are now available for the Institute graduate and the senior officer to participate in this most important work.
>
> Further means of enlightenment and cooperation with the American Bankers Association in its new and enlarged program of education and research are afforded by participation in the activities of the Institute's newly appointed Research Committee. This committee is prepared to work with and assist the Research Council of the A.B.A. in compiling data from which conclusions may be drawn and disseminated for the benefit of all.

In the same issue Robert M. Hanes, president of the American Bankers Association, stated that both the Association and the

Institute were striving for better banking in America and that the two organizations could attain that objective by working shoulder to shoulder in furnishing leadership for the program of the future. Then he said:

> The American Institute of Banking is building efficient and qualified bank personnel to take charge of our banks. I am honest when I say that the whole future of the American Bankers Association rests with the American Institute of Banking. It is the men you develop who will be leaders in banking and banking thought and banking practices. In fact, the whole future of banking in America rests with the American Institute of Banking. It is building sound, intelligent bank personnel to provide the constructive leadership banking will need if it is to continue going forward.

XXV

Convention Features and Election Procedure

THE only apparent disadvantage of developing a historical record along subject lines is that it involves considerable backtracking, but the advantages of this method more than offset the single disadvantage. Thus far, we have traced the administrative and the educational developments of the reorganized Institute from the time of the Providence convention to the eve of World War II. We must now turn back again to the early days in order to complete the historical picture by noting certain events that have been so distinctive as to merit separate treatment. Claiming our attention first are those activities identified with Institute conventions.

At the Seattle convention in 1909 Joseph Chapman Jr. offered a prize of $100 in gold to be awarded at the 1910 convention to the contestant making the best ten-minute extemporaneous speech immediately after drawing one of the following subjects: Guarantee of Deposits, Agriculture, Immigration, Trusts, and The Tariff. Each chapter was asked to nominate one member, and from the chapter nominees ten contestants were to be selected, as a result of a drawing at the Chattanooga convention, for participation in the speaking contest.

The Thursday evening session at the Chattanooga convention (June 9) was devoted to the contest. As it happened, there were only eight participants. The names of the contestants, the subjects drawn by them, and the order in which they spoke were as follows:

Institute "Oratory"

A. M. Dickerson of Chattanooga, Immigration
Joseph W. Bradley of Spokane, Guarantee of Deposits
E. S. Jones of Minneapolis, Agriculture
H. W. Dorn of Chicago, Agriculture
W. B. Compton of San Francisco, Immigration
W. O. Bird of Denver, Guarantee of Deposits
W. G. Gundelfinger of Pittsburgh, Trusts
Q. B. Kelly of Salt Lake City, Guarantee of Deposits

The judges were Colonel Fred E. Farnsworth, general secretary of the American Bankers Association, Captain C. A. Lyerly of Chattanooga, and L. G. Walker of Chattanooga. Their decision awarded the $100 prize to A. M. Dickerson.

In reporting the results of this first Institute public speaking contest, the Bulletin editor commented, "In some respects it was the most interesting feature of the convention.".

To give further encouragement to the art of extemporaneous speaking, Mr. Chapman renewed his offer of $100 the following year, but for a combination of papers and extemporaneous speeches. A prize of $50 was to be awarded to the writer of the best paper on the subject of Institute education. The plan originally was to have this paper read at the Rochester convention and then used as a basis for discussion. A prize of $30 was to be awarded to the participant making the best extemporaneous speech and a prize of $20 to the participant making the next best speech during the discussion period.

The papers submitted did not meet the specifications prescribed for them; hence the essay prize was not awarded, although the paper submitted by William H. Kniffin Jr. of New York Chapter received honorable mention.

The extemporaneous speaking on the subject of Institute education took place at the Friday morning convention session, September 8, 1911. Eight chapter members participated in the

discussion, and the judges' awards were announced at the Saturday morning session. The first prize of $30 went to Andrew C. Dorris of Nashville and the $20 prize, to Joseph A. Broderick of New York. In announcing the winners, President Ralph H. MacMichael remarked that the judges had taken a number of things into consideration, among them the subject matter presented and the manner in which it was presented, giving greater weight to the subject matter.

No further attempts to promote public speaking as a convention activity were made until the inauguration of the national public speaking contest in 1927 (described in the next chapter).

In Chapter XXI reference was made to the fact that President Byron W. Moser, in 1913, appointed William A. Nickert of Philadelphia "a committee of one" to make arrangements for a conference of chapter presidents at the next convention.

Chapter Presidents Conference

The first conference of chapter presidents was held at the Richmond convention in September 1913 and was attended by representatives of about fifty chapters. Mr. Nickert had outlined a program calling for the discussion of fifty-seven questions relating to various phases of chapter work. While it was impossible to cover the entire ground in the two hours scheduled for this conference, the most important topics were discussed thoroughly, and the participants took back to their chapters much valuable information.

The conference was productive of such good results that the incoming president, H. J. Dreher, appointed a chapter presidents conference committee of five members, with Mr. Nickert as chairman, to make arrangements for the holding of a conference at the 1914 convention. In order that a satisfactory program might be prepared, the committee sought the advice and cooperation of all chapter presidents.

The first few conferences were devoted to general discussion of chapter problems, such as the following: educational work, finances, public affairs, debating, publicity, chapter meetings, election methods, chaptergrams, and social features. Later the program included four, five, or more prepared talks by chapter members as well as general discussion of chapter problems. A summary of the chapter presidents conference held at the Boston convention in 1920 shows how extensive the program had become after seven years of experience.

The conference was conducted under the direction of P. R. Williams, Los Angeles Chapter, chairman of the chapter presidents conference committee. The report of the committee on forms and the report of the committee on the chapter presidents manual were discussed at length. In addition, the following prepared talks were presented, with discussion at the conclusion of each talk.

How the Forum Should Be Conducted, by J. H. Brennen, New York
Successful Publicity, by A. C. Burchett, Memphis
To What Extent Should the Institute Participate in Public Affairs? by E. V. Krick, San Francisco
Suggestions from the Educational Committee of the American Bankers Association, by George E. Allen, Educational Director
Making Chapter Meetings a Success, by Allyn R. Munger, Hartford
Post-Graduate Work, by Carl W. Fenninger, Philadelphia
Greater Recognition by Banks of Institute Graduates, by W. H. Wilkes, St. Louis
Chapter Finance, by Perceval Sayward, Boston
Cooperation of Bank Officials, by G. Lynn Marriott, Utica
The Importance of Public Speaking and Debate, by William R. Ward, Oakland

Most chapter presidents conferences throughout the 1920's followed this general pattern, although with fewer prepared talks. In 1928 the name was changed to chapter administration

conference. At the 1929 and 1930 conventions the conference started with breakfast at 8 o'clock and continued until 4:30 p.m., with a break for luncheon. It was divided into two parts: educational session in the morning and administrative session in the afternoon. Beginning with the 1931 convention the educational and the administrative sessions were held on different days.

A printed report of the conference proceedings was published in pamphlet form and distributed to Institute leaders without charge from 1919 to and including 1941.

At the New Orleans convention in October 1919, the committee on resolutions drafted two paragraphs which required the approval of the Executive Council prior to their inclusion in the report of the committee for presentation to the convention. A special council meeting was held on October 8 during convention week for the purpose of considering the matter.

After the secretary had read the paragraphs submitted by the committee, the council members discussed them thoroughly and approved them with slight modification. The paragraphs, which were then included in the report of the committee on resolutions, read as follows:

The Institute Platform

Ours is an educational association organized for the benefit of the banking fraternity of the country and within our membership may be found on an equal basis both employees and employers; and in full appreciation of the opportunities which our country and its established institutions afford, and especially in appreciation of the fact that the profession of banking affords to its diligent and loyal members special opportunities for promotion to official and managerial positions, and that as a result of the establishment and maintenance of the merit system in most banks a large number of Institute members have through individual application achieved marked professional success, we at all times and under all circumstances stand for the merit system and for the paying of salaries according to the value of the service rendered.

We believe in the equitable cooperation of employees and employers and are opposed to all attempts to limit individual initiative and curtail production, and, in so far as our profession is concerned, are unalterably opposed to any plan purporting to promote the material welfare of our members, individually and collectively, on any other basis than that of efficiency, loyalty, and unadulterated Americanism.

For years these two paragraphs were widely quoted as the Institute platform.

Departmental Conferences

Before 1921 it was customary to schedule one or more symposiums on banking and related subjects as part of the regular business sessions. At the Boston convention in 1920, for example, there were three symposiums: one on bank credit, one on the Federal Reserve System, and one termed a departmental conference symposium, conducted by Fred W. Ellsworth, vice president, Hibernia Bank and Trust Company, New Orleans. After the opening address by Mr. Ellsworth, the following subjects were presented: savings department, trust department, advertising department, new business department, and foreign exchange department. Each address was followed by general discussion.

The departmental conference idea was so popular that President Stewart D. Beckley appointed a committee of seven members to handle the program for the 1921 convention at Minneapolis. The chairman of the committee was Joseph W. Bradley, vice president, Old National Bank, Spokane.

Because of the fact that the convention program called for business sessions every day, the two-hour noon recess on each of the first three days of the convention was set aside for informal departmental conferences of the round table type. Eight departmental conference groups met separately, each under the direction of a leader. The purpose of the grouping, of course, was to provide an opportunity for delegates interested in a particular

phase of bank activity to exchange ideas and discuss common problems.

The conferences at the Portland convention in 1922 were scheduled for Monday from 12 noon to 4 p.m. and for Wednesday and Thursday from 11:45 a.m. to 2:30 p.m. The divisions were audits and examinations, bank administration, bonds and investments, business development and advertising, checks and collections, credits, foreign trade and foreign exchange, savings banks, and trust functions.

Commenting on the introduction of departmental conferences on a broader scale, a July 1922 Bulletin article said:

> Demonstrating the practical trend of the Institute idea, the departmental conferences proved to be the most outstanding feature of the proceedings. So much more popular were they, in fact, than the regular convention sessions that the organization is inclining strongly to the belief that, in the future, conventions will consist entirely of conference work, with only such regular sessions as are necessary for the transaction of national business and election of officers.

Thus at Cleveland in 1923 and thereafter the regular sessions were reduced to two. By eliminating some of the business sessions, it was possible to increase to twelve and a half hours the total time allotted to departmental conferences at the 1923 convention.

A printed report of the addresses made before the departmental conferences was published and sold at a moderate charge each year from 1923 to and including 1931. In January 1932 the Executive Council decided to discontinue the annual publication of the proceedings and to increase the size of the July Bulletin for the purpose of including as many of the conference addresses as possible. This practice was discontinued after the Bulletin format was changed in 1940.

A rather interesting innovation took place at the first session

Campaign Speeches

of the Minneapolis convention in 1921. Before that time, the only announcement of candidates for national office had been made at the last convention session when their names had been formally placed in nomination. For some time Institute leaders had felt that it would be advantageous both to the delegates and to the candidates if the announcements were made earlier in the week. Therefore, prior to the Minneapolis convention, each candidate was requested to select a representative to announce his candidacy at the first session of the convention.

As the Bulletin account of the convention proceedings expressed it, "These representatives, in well rounded speeches, acquainted the delegates with the qualifications and achievements of the candidates they represented, much to the delight of the convention and to the satisfaction of all."

The plan successfully tried out at Minneapolis was continued at Portland the following year and, in fact, became an established convention procedure.

Another convention procedure was developed as a result of an incident that happened during the Minneapolis convention. At one of the afternoon sessions Robert B. Locke, the incoming president, noticed that the representatives of one large chapter were absent. He called upon E. J. McQuade of Washington and Secretary Hill, and the three of them did some detective work. They learned that the absent chapter had scheduled a caucus for that afternoon and had asked several candidates for national office to appear for questioning.

Chapter caucuses had been held for several years, but no system had been devised for controlling them. Some would be held before breakfast, while others would run into the "wee sma' hours." It was a grueling experience for the candidates.

As a result of what was discovered at Minneapolis, President

Locke decided to put an end to the holding of caucuses during convention sessions and at unseasonable hours. When the Executive Council met at the close of the convention, he presented the problem for consideration. As a result, "the secretary was requested to formulate a plan that would tend to save the time and energy of both candidates and delegates and to report his recommendations to the council."

Following instructions, Secretary Hill worked out a plan and submitted it to the council by mail on May 1, 1922. The plan was approved unanimously, to become effective at the Portland convention. In his communication to the members of the Executive Council, the secretary explained the plan as follows:

Chapter Caucus Plan

This plan provides for the grouping of chapters into eighteen groups and the meeting of these groups at scheduled times in separate rooms at the convention headquarters hotel on the evening preceding the annual elections, these meetings being, of course, for the purpose of giving all the delegates the opportunity of hearing all the candidates for the national elections. No entertainment is to be scheduled for this time by the convention entertainment committees, the whole evening being given over to preparation for the elections. The schedule, however, brings out the fact that the length of time that the delegates are in session is not burdensome, since the plan provides that half the groups be in session from 7:30 to 9:00 and the other half from 9:00 to 10:30; thus, no delegates are in session for more than one hour and thirty minutes, and plenty of time is allowed for discussion as to the merits of the various candidates heard and the formulation of plans for the elections. At the conclusion of these sessions the groups dissolve and each chapter delegation caucuses separately and independently on the different candidates.

In the plan it is supposed that there are two candidates for the vice presidency and seven candidates for the council. The schedule points out explicitly at just what time each of these candidates appears before the various group meetings. Whenever it develops that there are more or less than nine candidates all-told, the plan can easily be expanded or condensed as the case may require. Following the usual custom,

no provision is made for the appearance of the candidate for president before the caucuses.

In working out this plan, it was rather difficult to apportion the chapters to the various groups in the most convenient and equitable manner. While geographical location played some part in the assignments made, the numerical strength of the chapters was also taken into consideration. With changes in Institute membership and in the number of chapters, the plan will, of course, have to be modified somewhat from time to time.

The chapter caucuses that were held at the Portland convention on July 19, 1922 worked out satisfactorily, and the new plan seemed to be the proper solution of a difficult problem. Moreover, it was a great timesaver.

In 1941 the caucus procedure was simplified, and the caucus groups were reduced to four.

The caucus procedure is believed to be unique with the Institute, among American institutions. The candidate for national office is "heckled" about his general knowledge, his qualifications for office, his past service to the organization, and his plans for its future progress. Here is democracy intelligently at work in the selection of its governing body.

Publicity Awards

After the initial venture in this activity in 1908, there appears to have been no publicity display featured at the annual convention until 1923. At the Cleveland convention a committee on publicity award was appointed to judge the exhibit of scrapbooks submitted by members of the publicity committee. At the closing session the chairman announced that, after an examination of the scrapbooks, the committee had awarded the first prize to A. W. Stone of Portland Chapter, who had been in charge of publicity on the Pacific coast. No information about the nature of the prize was given in the Bulletin account of the convention proceedings.

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During the year 1923-1924 considerable competitive interest in publicity work was developed among the chapters, and the fact that three prizes in gold were to be awarded for the display at the convention added to the element of competition. As a result, the publicity committee's exhibit at the Baltimore convention was rather pretentious in comparison with previous efforts, consisting of 168 feet of four-foot display boards. The awards were made on the following basis:

$5 in gold to the editor of the best chapter publication
$5 in gold to the creator of the best piece of chapter advertising
$5 in gold to the member of the national publicity committee whose district showed the most effective publicity.

The basis for the awards was changed several times from 1927 to 1941. The announcement for the 1941 convention publicity display read as follows:

In recognition of what may be termed an exhibit of the most effective or outstanding chapter publicity, an award will be made to one chapter in each of the following groups:

Group A. Chapters with a membership of 751 or over
Group B. Chapters with a membership of 251 to 750
Group C. Chapters with a membership of 250 or less.

A silver plaque will be awarded to the chapter having the most effective or outstanding publicity in each group. If any plaque shall be given to a chapter three times (not necessarily in consecutive years), it shall become the permanent property of that chapter.

While chapter papers will be judged as part of the publicity exhibit, in addition a special certificate award will be presented to a chapter in Group A, to a chapter in Group B, and to a chapter in Group C whose paper is adjudged to be the best publication in each class. The award will be in the form of an engrossed certificate containing the name of the chapter and also the name of the editor responsible for the chapter publication selected.

Beginning with the 1936 display, the judges were three in number: a journalist, an advertiser, and a banker.

Institute Conferences

Three Institute conferences were held for the first time at the Baltimore convention in 1924: chapter publications, public education, and public speaking and debate. These three, with the chapter presidents conference and the conference of women delegates, brought the number of Institute conferences to five.

The chapter publications conference was led by Dale Graham of St. Louis, chairman of the national publicity committee. Prepared talks were given on the following subjects: Making a Chapter Paper Interesting to Members; Capturing Ideas; Editorial Dilemmas; Financing a Chapter Paper; Journalism and Public Opinion; Why a Weekly Paper?

The chairman of the public education committee, P. R. Williams of Los Angeles, presided over the public education conference. Among the prepared talks presented were the following: The History of Public Education Work; Importance of Carrying Public Education Campaign to Business, Industrial, Civic, and Social Organizations; Importance of the Radio for Dissemination of Banking Information; The Necessity for Banking Education.

The public speaking and debate conference was under the leadership of George R. Kingdon of Los Angeles, chairman of the public speaking and debate committee. The program consisted of talks on nine subjects, some of which were: How to Arouse and Maintain the Beginner's Interest in Debate Work; Proper Questions for Intercity Debates; How Much Emphasis Should Be Given in the Chapter Program to the Public Speaking and Debate Course as Compared with the Standard and Other Courses?

The proceedings of these three conferences were published with the proceedings of the chapter presidents conference in pamphlet form.

In 1925 the chapter publicity conference replaced the chapter publications conference. Beginning in 1931 the public speaking conference was held separate from the debate conference and on a different day.

The Boston and San Francisco conventions in 1940 and 1941 witnessed an innovation in the method of conducting Institute conferences. The customary practice of having the program consist entirely of prepared addresses followed by discussion was superseded by the use of the round table, or panel, technique for most conferences. Three, four, or five persons under the leadership of a chairman or "interlocutor" discussed all phases of the conference topic, the right to interrupt the proceedings for the purpose of having a pertinent question answered being reserved to any one in the audience. Discussion or further questions from the audience were invited at the conclusion of the round table period.

The new technique "caught on." The change of voice, of tempo, and of personality gave life to the program as discussion proceeded among the round table participants, and ever since the early 1940's Institute conferences have used this method of presentation, although not to the exclusion of prepared talks.

Registration Fees

For a number of years convention expenses chargeable to the national organization had been increasing steadily. In an effort to solve the financial problem thus created, President Carter E. Talman, on April 3, 1923, appointed a committee to consider the matter and to make recommendations. At a council meeting on July 20, 1923 the incoming president, Clarence R. Chaney, announced that the committee would be continued. The committee presented its report at the January 23, 1924 meeting of the Executive Council, making the following recommendations, among others, regarding registration fees:

1. That a registration fee of $5 be required of all duly elected or appointed delegates to each Institute convention. This registration fee, however, is not to be required from the delegates from the convention city.

2. That a registration fee of $10 be required of all non-delegates attending Institute conventions.

3. That these registration fees accrue to the benefit of the national organization and that the national secretary be charged with the collection of same.

4. That, out of each $10 registration fee collected from non-delegates, the national secretary is authorized and directed to pay 50% to the treasurer of the convention city committee.

The recommendations were adopted, and the plan of charging registration fees was put into effect at the Baltimore convention in July 1924.

At a meeting of the Executive Council on June 12, 1933, various matters connected with the annual conventions were discussed, among them the desirability of increasing the registration fee for delegates. A committee appointed to review the whole convention procedure made its report at a meeting on June 16. The committee recommended that the registration fee for delegates be increased to $10, 50% of this fee to be paid to the treasurer of the convention city committee with the understanding that the convention city committee would pay the cost of two departmental conference luncheons for each delegate.

This arrangement did not, however, provide for all contingencies. Hence the Executive Council, at its meeting on January 15, 1935, adopted a resolution providing that out of each $10 registration fee collected from delegates, $2.50 would be paid to the treasurer of the convention city committee, and that the cost of two departmental conference luncheons for each delegate would be paid by the national organization from the balance of the $10 fee.

Subsequent actions of the Executive Council regarding convention registration fees will be referred to in a later chapter.

Voting at Annual Conventions

Until 1928 the annual elections were carried on by means of a roll call of the chapters at the last convention session. Three independent tabulations of the votes were made, one by the national secretary and two by tellers appointed by the president, and the results were announced as soon as the computations had been completed. This process was tedious and time-consuming.

At the Executive Council meeting on February 9, 1928, President P. R. Williams stated that for some time Institute leaders had been concerned over the existing method of voting, and he asked Secretary Hill to explain a proposed new plan.

The suggested plan, the secretary stated, would permit of voting by ballot. If there were contests for both the vice presidency and member of the Executive Council, there would be two ballots: one with the names of the candidates for the vice presidency, with a voting space in front of each name, and one with the names of all nominees for member of the Executive Council, with appropriate voting spaces. The ballots would contain instructions for entering the number of votes cast for each candidate voted for. This method would make it possible for a chapter to split its votes if the delegates were not unanimous in their choice. The proposed system of voting also would apply to a contest for choice of the convention city.

The council approved the plan and suggested its inauguration at the next convention.

At the Philadelphia convention in June 1928, the caucuses were held on Thursday evening, as usual. After all the candidates for office had appeared at the group caucuses, the groups dissolved, and the delegates of each chapter met separately. When the delegates were agreed on how the votes should be cast, the

chairmen of the chapter delegations filled in the ballots and deposited them in the ballot box in the national secretary's office, where certified public accountants, who had possession of the ballot box keys, took charge of tabulating and totaling the votes.

No deadline had been set for the deposit of ballots, with the result that some round-up work was necessary. Despite the assistance rendered by a number of Philadelphia Chapter members in searching for tardy chapter representatives, the clock struck 5 a.m. before the ballots were finally totaled and verified. But when the national secretary left the scene, he had in his possession a certificate evidencing the election of the successful candidates, authenticated by the certified public accountants. This report was read at the closing convention session.

The ballot system introduced at Philadelphia was not entirely satisfactory, and as time went on a number of changes were made for its improvement. The first question to be decided related to the matter of changing a ballot after it was cast. At the Executive Council meeting on January 16, 1929, this question was considered and the following resolution was adopted:

> Resolved, That the ballot of each chapter or chapter delegation be deemed closed and irrevocable on the deposit of that ballot in the ballot box.

The rounding up of chapter representatives in an effort to have them deposit their ballots continued to be a problem, and the national secretary usually had to seek the help of three or four local chapter members in getting the tardy ballots deposited. Therefore, President Albert S. Puelicher authorized the secretary to ask the members of the Executive Council to vote on the question of closing the ballot box at midnight on caucus night. The question was submitted to them on April 25, 1934, and the vote was unanimously in the affirmative.

The experience at the Washington convention in June 1934 proved that midnight was too early for the closing of the ballot box. Therefore, the Executive Council, at its midwinter meeting on January 15, 1935, adopted the following resolution:

> Resolved, That the ballot box be closed on caucus night one hour after midnight and that ballots not deposited before that hour shall not be counted.

Up to the time of the 1936 convention it had been customary for the national secretary, at the closing session, to read the number of votes cast by the individual chapters on nominees for national office and on choice of the convention city. This procedure appeared to serve no useful purpose. Consequently, at the Executive Council meeting on January 16, 1936, the suggestion was made that "elections for national office be conducted on an entirely secret ballot." The council authorized President Maynard W. E. Park to appoint a committee of four to draft a covering resolution.

Subsequent to the meeting the committee submitted the following resolution to the council by mail and it was adopted.

> RESOLVED, That, beginning with the Seattle convention to be held June 8-12, 1936, all convention voting by chapters be by secret ballot and that the national secretary announce to the convention at the final session, by totals, the results of all convention votes as such votes are certified to him by the public accountants engaged to conduct the canvass.
>
> Nothing contained in the foregoing resolution, however, should be construed as denying any chapter delegate the right to inspect his chapter ballot after the result of the canvass has been announced.

A few years later the desirability of announcing the number of votes cast for the candidates was called into question. It seemed to be the general opinion of the councilmen that the best interests of the Institute and of the candidates would be served

if the number of votes cast for each individual were omitted and only the names of the successful candidates were announced. Therefore, at the midwinter meeting on January 12, 1938, the council adopted the following resolution:

RESOLVED, That at the 1938 annual convention and at future conventions the Secretary of the Institute be and he hereby is instructed to announce merely the names of the successful candidates in the order in which they have been chosen by the delegates without reference to the actual number of votes cast for any individual.

Campaign Expenditures and Candidate's Headquarters

The matter of campaign expenditures of candidates for national office was presented for the consideration of the Executive Council at its midwinter meeting on January 22, 1932. It seemed to be the general opinion that the character of campaigns conducted, in some instances, entailed the expenditure of so much money that many desirable candidates were discouraged from entering the field. After a thorough discussion of the subject, the council adopted the following resolutions:

RESOLVED, That every candidate for Institute national office (including his campaign committee and chapter) be requested to limit his convention campaign expenditures to the rental of a headquarters room, a hotel lobby banner announcing his nomination, and the distribution of a simple printed announcement of his candidacy; and be it further

RESOLVED, That every candidate for national office be requested to include in the official announcement of his candidacy sent to the Institute nominating committee, a statement agreeing to abide by the provisions of these resolutions; and be it further

RESOLVED, That the nominating committee be authorized and directed to include in its official announcement of candidacies for national office the statement of any refusal to comply with the provisions of these resolutions.

The resolutions adopted at this meeting naturally were in force at the Los Angeles convention. The experience at that con-

vention revealed the desirability of being specific regarding certain practices. Consequently, at the direction of President Frank N. Hall, four proposals were submitted to the Executive Council by mail on February 7, 1933:

1. The headquarters room of a candidate shall be limited to a parlor on a residence floor of the headquarters hotel. (unanimous vote in the affirmative)
2. A candidate is permitted to use in his headquarters room either a victrola or a radio. (unanimous vote in the affirmative)
3. Soft drinks may be served in the headquarters room by the campaign committee, but this privilege does not include the hire of special help for that purpose. (8 affirmatives; 7 negatives)
4. Cigars and cigarettes may be dispensed in a headquarters room but no special wrapper carrying candidate's name or carrying any other advertising matter is permitted. (6 affirmatives; 9 negatives)

On February 16, 1937 the council decided to revise the first of the three resolutions adopted on January 22, 1932, to read:

RESOLVED, That every candidate for Institute national office (including his campaign committee and chapter) be requested to limit his convention campaign expenditures to the following:

1. The cost of a hotel lobby banner (or banners if the delegates are housed in more than one place);
2. The rental of a headquarters suite, which shall be limited to a parlor on a residence floor of the headquarters hotel;
3. The cost of entertainment in the headquarters room, which shall be limited to the use of a victrola or a radio and the serving of soft drinks, candy, and cigarettes, provided no special help is hired for the purpose, it being the intent of these resolutions to prohibit the distribution of souvenirs;
4. The cost of distributing one simple printed announcement of his candidacy and the cost of preparing a special campaign letterhead if desired; . . .

At the midwinter meeting on January 12, 1938 the council amended paragraph 4 of this resolution to read:

4. The cost of distributing one simple printed announcement of his candidacy, the cost of preparing a special campaign letterhead if desired, and the cost of preparing and distributing a reasonable quantity of small celluloid campaign buttons with or without ribbons; . . .

On June 5, 1939 the Executive Council adopted a resolution permitting the campaign headquarters of candidates for national office to be open only between the hours of 11:30 a.m. and 1:30 p.m. and between the hours of 4:30 p.m. and 1 a.m.

Candidate's Representative

At the annual meeting of the Executive Council in June 1932, reference was made to the tendency on the part of candidates for national office to have their convention nomination speech made by a representative of a chapter other than their own. After discussion, the council adopted the following resolutions:

RESOLVED, That the nomination of each candidate for election to an Institute office at an annual convention, when election to that office is contested, shall be made by a member of his own chapter; and be it further

RESOLVED, That each such candidate, if he is to be accompanied by a representative on his caucus visits, be required to have a member of his own chapter accompany him.

Convention City Chapter

Certain resolutions relating to the convention city chapter have been adopted by the Executive Council. On February 16, 1937 the council ruled that any chapter interested in inviting an Institute annual convention must address its invitation to the national secretary in order to obtain official approval before presenting the invitation to the delegates in convention assembled. The council then voted to delegate the responsibility for approving convention invitations to a special committee consisting of the national president, the national vice president, and the national secretary.

The council also adopted the following resolutions governing campaigns for the convention city.

RESOLVED, That every chapter, in conducting a campaign for the annual convention, be requested to limit its expenditures to the following:

1. The cost of a hotel lobby banner (or banners if the delegates are housed in more than one place);

2. The rental of a headquarters suite, which shall be limited to a parlor on a residence floor of the headquarters hotel;

3. The cost of entertainment in the headquarters room, which shall be limited to the use of a victrola or radio and the serving of soft drinks, candy, and cigarettes, provided no special help is hired for the purpose;

4. The distribution of printed material, such as booklets or folders, provided such booklets are not paid for by the chapter or banks, and also provided that they bear the imprint of the local chamber of commerce, convention bureau, or similar organization; and be it further

RESOLVED, That the distribution of any novelty or souvenir by or in behalf of the convention city chapter be prohibited; and be it further

RESOLVED, That each chapter inviting a convention shall furnish the nominating committee with an outline of how it proposes to conduct its campaign for selection as the convention city, and the nominating committee shall have the right to reject any proposals which in its judgment are not within the provisions of these resolutions.

Another matter considered by the council on February 16, 1937 was the question of participation by the convention city chapter in national contests held at the annual convention. At the conclusion of the discussion the following resolutions were adopted:

RESOLVED, That it is the sense of the members of this Executive Council that it is inadvisable for the convention city chapter to participate in the national convention debate, in the national public speaking contest, or in the Institute publicity exhibit; and be it further

RESOLVED, That each chapter seeking the annual convention of the Institute be advised of the passage of this resolution and that the representatives of such chapter be informed that they will be required to agree not to participate in the events herein set forth if their city is selected by the delegates as the convention city.

XXVI

Supplementary Educational Activities

THE unique character of the Institute is readily apparent when one views its program as a whole. Most educational facilities offered to employees by business organizations are purely vocational; they aim only at making the worker more efficient. That he may also become a more contented employee is merely incidental. While the Institute's educational program is to a large extent vocational, increased efficiency of the bank employee is only one of its objectives.

In addition to the benefits to be derived from its curriculum of pre-standard, standard, and graduate courses, the Institute offers opportunities for the development of executive and administrative ability through participation in chapter, regional, and national affairs. It provides training and experience in debating, in public speaking, in forums, in seminars, and in conference work of various kinds. The ultimate aim of these activities is the development of bank men and women who not only can perform their daily work more efficiently but also can be a credit to banking because they are well rounded individuals—capable, confident, self-reliant, and ready to assume whatever responsibilities may come their way.

The supplements to the Institute curriculum take two forms: special courses and informal educational activities. The special courses include both those offered by the national organization and those developed by the chapters on their own initiative. The informal educational activities described in this chapter are intended to serve as a means of broadening the educational horizon of bankers and of cultivating a spirit of friendliness among them.

The special courses offered by the national organization prior to World War II, particularly those made available during the depression years of the 1930's, have already been described. The story of the special courses developed during the war period of the 1940's will be told in a later chapter.

Special Chapter Courses

In addition to these special national offerings, the chapters develop courses which meet local needs. Such courses are not a part of the Institute's educational program and are not accepted for credit toward certificates. Nevertheless, when certain chapter courses have appeared to be applicable on a national scale, the Institute has prepared similar courses and incorporated them in its curriculum. Thus it may be said that to some extent the curriculum has originated at the "grass roots" of the organization. No other educational institution can parallel this experience.

More often, however, special chapter courses are not applicable to Institute classes the country over. They are an ingenious device for meeting local needs and even for maintaining chapter membership and enrolment at a time when it may be difficult to secure enough students for the certificate courses.

DEBATING

Convention Debates

Debating is the oldest of the informal educational activities. The history of chapter debate activity, in fact, dates almost from the beginning of the Institute itself, while national debate contests originated at the first convention of chapters in Cleveland in 1903. But the record of convention debates is by no means an unbroken one. After 1908 there apparently was a lessening of interest in debating, for during the next ten years debates were held only at the 1909, 1913, 1914, and 1916 conventions. Beginning in 1919, however, a debate was featured at each convention without interruption until the war period of the 1940's.

In his address at the Dallas convention in 1914, President H. J. Dreher commented on the importance of debating as a means of creating a better understanding between bankers and the general public. "No outlet," he said, "offers greater advantages for advancing the Institute in the estimation of all classes of men than does this. Intelligent disputation is the greatest medium for enlightenment. Oratory has always been the instrument by which truth and intelligence have been given in most persuasive form to the greatest number. The excitement and keen interest attendant upon debating assures a bearing on and an opportunity for constructive educational work."

The first national debate committee was appointed by the incoming president, William S. Evans, for the year 1914-1915. The following year its name was changed to public speaking and debate committee.

Institute Debate Cup

Interest in debating was greatly stimulated in 1916 by the announcement that the Executive Council was offering "a cup as a prize in a debate to be held each year at the annual convention." The announcement went on to say:

> It has long been felt that debating forms an important part of chapter work, providing as it does valuable training in constructive thinking and in accurate expression. Debating is not for the purpose of developing orators, but any man who aspires to be successful will find that the ability to think clearly and express himself intelligently is a great asset, and many promotions have been attained by men who, although having no better technical training, have been able to talk better than the other man. A student in debating and public speaking soon finds that it is necessary to have more than a superficial knowledge of the subject to be discussed, and the thorough reading required to properly prepare himself to debate a question proves of immense value, not only in the knowledge thus acquired of the subject, but in the training to "think through" a subject and thoroughly understand it.
>
> It is therefore with the thought in mind of the value to chapter men

to become trained in debating that the committee on debating and public speaking has decided to arrange preliminary debates this year between chapters located convenient to each other, these preliminary debates to culminate in the annual debate at the Institute convention in Cincinnati in 1916. Any chapter winning the annual debate will have its name engraved upon the cup and will hold the cup for the ensuing year, but must win the annual debate three times in order to obtain permanent possession of it.

The announcement explained that this rule did not mean that the debate would have to be won by a chapter three times "in succession" to insure permanent possession of the cup.

Five preliminary debates were necessary to determine the contestants for the cup at the Cincinnati convention. Syracuse Chapter for the affirmative and Chattanooga Chapter for the negative won the right to enter the final contest, and on September 21, 1916 they debated the subject *Resolved,* That the closing of accounts of over thirty days by acceptances is an improvement over open book accounts. The judges' decision went to the affirmative.

Debate Rules

The first debate rules governing contests for the Institute cup were presented to the Executive Council and were approved on October 6, 1919. After a trial period of two years, they were completely revised by the public speaking and debate committee. On October 4, 1921, at the direction of President Robert B. Locke, the new rules governing Institute chapter and interchapter debates were submitted to the Executive Council by mail and were approved. The preamble to the rules read as follows:

The aim of this committee is to foster interest in and to stimulate practice in public speaking and debate. We firmly believe that every chapter should have as its goal "To give the greatest number of members the most frequent opportunity to speak," rather than "To win the Institute cup"—as desirable as this latter object may be.

The debate rules have been changed innumerable times. In the early years of debating for the Institute cup they were amended with great frequency. Later they were subjected to revision or amendment at less frequent intervals, as Institute debating became somewhat stabilized.

Debate Pennant

The matter of a trophy that might be awarded permanently to the winner of a convention debate was brought up for discussion at the Executive Council meeting on April 3, 1923. The council voted to recommend to the national committee on public speaking and debate that "a banner, pennant, or some such trophy be awarded each year to the successful team at the annual convention debate, such trophy to be its permanent property." As a result of this action, a pennant carrying the name of the chapter and the year of the convention debate was awarded to the successful contestant annually.

No chapter won permanent possession of the Institute cup until the Philadelphia convention in 1928, when Detroit Chapter, three times victorious, took the silver trophy out of circulation. Eleven chapter names, including Detroit's three entries, were engraved on the cup.

First Puelicher Cup

Following the Philadelphia convention a new national debate committee, separate and distinct from the public speaking committee, was created. Its work was considerably stimulated when President Frank M. Totton, in October 1928, announced that a new debate cup had been presented by John H. Puelicher, a former national officer of the Institute and a past president of the American Bankers Association. In contrast to the Institute cup, this trophy was quickly won. Philadelphia Chapter was an active contestant from the first battle fought for the Puelicher cup at Tulsa in 1929. Although the Philadelphia debaters lost to their opponents, the New Orleans team, on that occasion,

First Debate Cup Presented by John H. Puelicher

they established an enviable record by winning the three succeeding convention debates: against New Orleans Chapter at Denver in 1930, against Los Angeles Chapter at Pittsburgh in 1931, and against St. Louis Chapter at Los Angeles in 1932.

Second Puelicher Cup

With the debate cup in the permanent possession of Philadelphia Chapter, it became necessary to provide another cup to add to the zest of future local, district, and national competitions. Mr. Puelicher came forward again and presented the Institute with a new cup, identical in every detail with the cup won by Philadelphia. Although thirteen chapter names have been engraved on the second Puelicher cup from 1929 to the time this story is written, the trophy still is unclaimed permanently. Four chapters are in close competition, each with two convention debates to their credit: Los Angeles, New York, Philadelphia, and St. Paul.

Elimination Contests at Conventions

An elimination contest was held during an annual convention for the first time at Chicago in 1933, when San Francisco Chapter debated Houston Chapter for the right to meet the St. Paul team in the final debate. San Francisco won the elimination decision.

The revised rules in force at the Chicago convention provided for two-men debate teams; hence the debate between San Francisco and St. Paul chapters was the first of this character. St. Paul was pronounced the winner.

At the Washington convention in 1934, for the first time in Institute history none of the chapters that were to participate in the annual contest were known until the day before the final debate. Four chapters were eligible: Los Angeles, Omaha, Philadelphia, and San Antonio. Elimination contests were held on Monday afternoon of convention week, Los Angeles meeting Omaha and Philadelphia battling it out with San Antonio. Los

Angeles and San Antonio emerged as the contending teams in the final debate the next evening.

Semifinal eliminations for both sides of the question also were held at the 1939 and 1940 conventions. At the 1941 and 1942 conventions a semifinal elimination for only one side was necessary.

Convention debates in the years following World War II will be referred to in a later chapter.

Local Chapter Debating

Debating has been given a prominent place in the program of the American Institute of Banking because of its importance in training Institute men and women to become of greater value to themselves, to their institutions, and to the banking fraternity in general.

The national debate committee seeks to encourage interchapter debates, while each local debate committee stimulates interest in debating within the chapter and arranges the debate program. Although it is desirable, of course, that the local debate work should culminate in participation in the nationwide contest conducted each year, benefits of untold value accrue to the individual from participation in local debating alone. Debating classes or clubs provide both instruction and practice designed to increase the ability of the debater to think clearly and to present his thoughts effectively. Debate training equips him to state the facts of a case logically and forcefully and prepares him for business conferences and public discussions.

If a local debate committee is unable, for financial or geographical reasons, to schedule enough interchapter debates to provide adequate competition, it may make arrangements for debates with local colleges and high schools. Many chapters find this practice helpful not only in training their debaters but also in building up community interest.

PUBLIC SPEAKING

Origin of National Public Speaking Contest

When the Executive Council met on January 18, 1927, Vice President P. R. Williams announced that A. P. Giannini, chairman of the advisory committee of the Bank of Italy National Trust and Savings Association (now Bank of America National Trust and Savings Association) had offered the Institute an endowment of $15,000, the income from which would be used "to promote public speaking contests or for any other purposes in the advancement of the educational work of the Institute that might be found desirable."

Two reasons were given by Mr. Giannini for making the offer: First, he realized that a great amount of good was being done by the Institute among bank employees, and he wanted to give tangible evidence of his appreciation; second, a number of men connected with his institution had become prominent in the Institute nationally, and because of that fact he wanted to have a more active part in its work.

The Executive Council accepted the gift and authorized President Paul B. Detwiler to appoint a committee to prepare a resolution of thanks to Mr. Giannini for his generosity. The committee presented a suggested resolution the following day, the resolution was adopted, and a telegram incorporating it was dispatched to Mr. Giannini.

After discussion of the procedure to be followed in making Mr. Giannini's gift effective, the council decided to have a public speaking contest held at the 1927 convention under the direction of the national public speaking and debate committee, the details to be arranged by a special subcommittee, with the chairman of the national public education committee added to its membership.

On March 14, 1927 a trust agreement was entered into be-

Terms of Original Trust Agreement

tween A. P. Giannini and the Bank of Italy National Trust and Savings Association for the establishment of an endowment of $15,000, which was to constitute a fund to be held and administered in trust. Article I of this agreement declared the name of the trust fund to be the A. P. Giannini Educational Endowment for the American Institute of Banking. Article II declared the purposes of the endowment to be as follows:

a. To aid the American Institute of Banking to develop its influence in the field of banking education by such means as the Administrative Committee of the fund may determine.

b. To provide a fund the income of which shall be used annually or biannually as prizes for participants in public speaking contests to be conducted on a nationwide scale by the American Institute of Banking.

c. To stimulate research in the field of banking and economics by the encouragement of public speaking contests upon subjects related thereto.

d. To improve the practices, broaden the purposes and increase the usefulness of banking as an institution by stimulating research in the field of banking and economics.

e. To obtain a better public understanding of the relation of banking to other human activities and interests by stimulating public discussion of subjects related to banking.

f. To develop public speakers and to encourage the practice of public speaking by men and women in the banking profession.

g. To establish one or more scholarships in banking economics at any educational institution giving courses upon said subject if any of the other foregoing uses shall be found impracticable.

h. To assist any educational activity tending to increase research in and the study of banking economics if such use of the fund shall be found or shall seem more effective than any of the other specified uses.

The trust agreement made provision for an administrative committee consisting originally of the following: the president, the vice president, the educational director, the secretary, and the past president of the American Institute of Banking, the

A. P. Giannini

chairman of the public education committee, and the chairman of the public speaking and debate committee.

The comparatively short time between the acceptance of the gift and the Detroit convention would not enable the fund to provide sufficient income for the first year's prize awards. Therefore, Mr. Giannini made an additional gift of $1,000 to meet the expenses of the 1927 contest.

By an announcement in the April 1927 Bulletin, President Detwiler informed the membership at large of the Giannini endowment and thus publicly re-expressed the appreciation of the officers and members of the Executive Council.

Preparations for the 1927 Contest

In accordance with the decision of the council, a special subcommittee on public speaking was appointed by the chairman of the national public speaking and debate committee. This subcommittee drafted rules to govern the 1927 contest and submitted them to the members of the administrative committee for approval. A printed announcement of the first national public speaking contest contained the approved rules, a list of suggested subjects, instructions with regard to elimination contests, and a statement about the prizes.

The eligibility requirements for the first contest were stated thus: "Any member of the American Institute of Banking is eligible, except that prize winners in a national contest may not again compete. If a contestant withdraws after having won the chapter or district contest, then his place is to be taken by the contestant adjudged next best to him in the last competition in which he participated."

Each contestant was permitted to make his or her own selection of a subject from the list appearing in the announcement. The subjects suggested for the 1927 contest were those listed on the following page.

1. Looking Ahead Through the A.I.B.
2. Achievements of the A.I.B.
3. A.I.B.—Today's Greatest Educational Institution
4. The Profession of Banking as Studied by the A.I.B.
5. From Ice Box to Sun Parlor—A.I.B. Good Fellowship
6. He Profits Most Who Serves Best—A.I.B. Slogan
7. The Transition of the Banker—Shylock Vanquished by A.I.B. Ideals
8. National Tranquility and Stability Safeguarded by A.I.B. Economic Enlightenment
9. Education, Not Legislation, Solution of Economic Problems
10. Pioneers and Benefactors of the A.I.B.

Each chapter was requested to hold an elimination contest for the purpose of selecting its representative to enter the district contest. The country was divided into eight districts, and the plan was to have an elimination contest in each district in order to choose a district representative from among the winners of the chapter contests.

Three prizes were provided: first prize, $500; second prize, $250; third prize, $150.

As a result of the district contests held in the spring of 1927, seven contestants qualified for the final contest:

P. R. Anders, The Cleveland Trust Company, Cleveland, Ohio, for district four

C. A. Gunderson, Merchants Trust Company, St. Paul, Minnesota, for district five

Edgar L. Heaver, Alexander Brown & Sons, Baltimore, Maryland, for district two

L. R. Johnson, Lincoln Bank, Tacoma, Washington, for district eight

Tilden Rudd, American Exchange National Bank, Dallas, Texas, for district six

Horace W. Runkle, Security Trust & Savings Bank, Los Angeles, California, for district seven

Marion Turner, National Office, American Institute of Banking, New York, N. Y., for district one

The subjects chosen by these participants in the final contest were as follows:

Education, Not Legislation, the Solution of Economic Problems: P. R. Anders
National Tranquility and Stability Safeguarded by A.I.B. Economic Enlightenment: C. A. Gunderson
He Profits Most Who Serves Best: Edgar L. Heaver
Looking Ahead Through the A.I.B.: L. R. Johnson, Tilden Rudd, and Horace W. Runkle
A.I.B., Today's Greatest Educational Institution: Marion Turner

First National Public Speaking Contest

The first national public speaking contest for the A. P. Giannini Educational Endowment prizes was, without any question, the outstanding event of the Detroit convention in 1927.

The order in which the contestants were to speak was determined by a drawing among the contestants prior to the contest. The speeches were required to be original, and each contestant was allowed eight minutes for delivery.

John H. Horst of Baltimore, chairman of the public speaking and debate committee, presided at the contest. His instructions to the judges were to act without consultation, to attach equal importance to composition and delivery in arriving at their decisions, and to make their awards according to the low point total system.

The judges were: Allan Campbell, dean of the Detroit School of Law, Homer Guck, director of public relations of the Union Trust Company, and Judge Stewart Hanley of the firm of Lightner, Oxtoby, Hanley & Crawford.

When the judges' ballots had been collected and consolidated, it was found that the first prize went to Horace W. Runkle, the second prize to C. A. Gunderson, and the third prize to L. R. Johnson.

At the Executive Council meeting on June 18, 1928, President

Williams stated that one weakness of the plan inaugurated in 1927 had come to light as a result of experience. A contestant might be put to considerable personal expense in order to participate in the district contest. He might be the winner of that contest and yet might be unable to enter the final contest because the cost of attending the convention would place too great a financial burden on him. Recognizing this weakness, Mr. Giannini had decided to overcome it by providing a prize for the winner of each district contest consisting of railroad and pullman fares to the annual convention plus $100 in cash for personal expenses. To this end, he had increased his original gift of $15,000 to $50,000, and a supplemental trust agreement making the increase effective had been executed on April 9, 1928.

Increase in Giannini Endowment

The gift was gratefully accepted, and the national secretary was instructed to send Mr. Giannini a telegram of appreciation on behalf of the council.

Changes in Public Speaking Contest

During the years since the inauguration of the national public speaking contest, many changes have been made in the eligibility rules, in the method of conducting the contest, in the judging technique, and in other respects. The principal changes from 1927 to 1942 are summarized in this chapter; the major developments during the war and postwar years will be touched upon in a later chapter.

Certain changes have had to do with the mechanics of operation. First of all, in June 1928 the Executive Council decided to subdivide the national committee on public speaking and debate and to have a separate committee for each activity.

Next, changes have occurred in the number of districts. For the contests in 1927 and 1928 the country was divided into eight districts. Another district was created in October 1928, and from 1929 to 1935 inclusive there were nine participants in the na-

tional public speaking contest each year. In June 1935 the administrative committee decided to revert to the eight-district plan, effective for the 1936 contest.

In 1928 a change was made in both the number and the amounts of the prize awards for the final contest. Instead of three prizes of $500, $250, and $150 as originally planned, four prizes were awarded: first prize, $500; second, $300; third, $200; fourth, $100. This arrangement has remained unchanged, although in 1943, 1944, and 1945 the awards were made approximately one-half in cash and one-half in war savings bonds. In addition, as already indicated, the winner of each district contest has received railroad and pullman fares to the convention plus $100 in cash for personal expenses.

There would be little point in tracing the many changes that have occurred in the eligibility rules since 1927. For a period of time, each succeeding year seemed to bring to light some new problem, with the result that rather strict eligibility requirements have had to be prescribed. In general, the rules governing eligibility seek to exclude those whose interest in the Institute is merely transitory. Thus there are rigid membership requirements, and the completion of a certain number of Institute courses other than public speaking is prescribed. In addition, to give the greatest possible number of Institute members an opportunity to compete for the annual awards, certain groups who have received, or are receiving, national honors in one form or another are declared to be ineligible. Finally, any chapter member desiring to enter the contest must submit his certification of eligibility to the national office before the date of the first contest in which he is to participate.

Guided by the experience gained in conducting the first contest, the committee in charge of public speaking recommended

that the contestants be limited to one subject, and the administrative committee approved the recommendation.

Contest Procedure

From 1928 through 1931, only one subject was announced each year for the chapter, district, and final contests, and each contestant was required to deliver an eight-minute prepared talk on that subject.

The procedure for the final contest was changed in 1932. Each contestant was allowed six minutes in which to deliver a prepared talk on an announced subject. In addition, each contestant was required, after thirty minutes of private preparation, to deliver a three-minute extemporaneous talk on a different subject, not announced in advance of the contest.

As each contestant left the platform after delivering his six-minute prepared talk, he was handed an envelope containing the subject for his extemporaneous talk and was conducted to a room where he was given thirty minutes for preparation, "without the privilege of consulting papers, notes, memorandums, persons, or authorities." By the time the last speaker had finished delivering his prepared talk, the first speaker was ready to return to the platform for his extemporaneous talk. This procedure was continued through the 1940 contest.

The basis for conducting the national public speaking contest was changed again in 1941. Under the new procedure a general theme was selected, and three specific phases of this theme were chosen as the subjects for the chapter, district, and final contests. The general theme was announced in January. The first subdivision of the theme, to be used as the subject for all chapter contests, was announced early in February. The second phase, to be used as the subject for all district contests, was announced early in April. The contestants in the final contest were informed of the subject about ten hours before the contest.

The convention program made the following statement about the 1941 contest: "All speeches must be original and must not require more than ten minutes for delivery. The use of notes and quotations will not militate against a contestant unless the manner of use noticeably detracts from the general effectiveness of the delivery."

With the exception of two years, there have invariably been three judges: a banker, an educator, and a jurist.

Judges; Basis of Judging

At the first three contests the judges rated the speakers on both composition and delivery, giving equal weight to each. In 1930 and 1931 the experiment of having composition and delivery rated by two sets of judges was tried out. Three judges, an English teacher and two public speaking teachers, rated the contestants on composition, basing their ratings entirely on the papers submitted; they did not have an opportunity to meet the contestants. The other three judges (banker, educator, and jurist) rated the contestants only on delivery. The two sets of ballots were then consolidated. This method of judging did not prove to be satisfactory; hence the panel of three judges was reinstated.

From 1932 through 1940 the judges were instructed to give equal weight to composition and delivery in both the prepared and the extemporaneous talks in arriving at their decisions. When the contest procedure was changed in 1941, the judges again rated each contestant only on a prepared talk, giving equal weight to composition and delivery.

In no year from 1927 through 1942 were the judges called upon to consult because of an unbreakable tie.

The basic training required for participation in the national public speaking contest, naturally, is supplied by the public speaking course. While public speaking, as well as debating, has been encouraged ever since early Institute days, a stimulus was

Public Speaking Classes

given to the operation of formally organized chapter classes by the Executive Council's adoption (in 1927) of the Carnegie book as the official Institute text in this subject. Throughout the years public speaking has been offered on the basis of forty-two hours of work for two fundamental reasons:

1. Participation in public speaking classes gives the bank employee an opportunity to develop self-confidence and poise; it gives him training in the technique of orderly thinking, which results in intellectual growth; it enables him to talk informatively and convincingly in language which is within the grasp of his listeners.

2. Trained speakers are valuable assets to the banking business, for the spoken word is a powerful force in shaping public opinion. The benefits to be derived by the bank employee from participation in public speaking classes will enable him to make the most of his abilities in dealing with customers and fellow bankers and in presenting the facts about banking to the public.

Thus the course in public speaking is of inestimable value to an Institute member regardless of whether his or her training culminates in national competition for the public speaking awards.

FORUMS AND SEMINARS

Origin of the Forum

The history of forum activity dates from the inauguration of the system of post-graduate study in 1912, the objects of which were to meet the demand of Institute graduates and bank officers for more advanced education and, by providing opportunities for research in banking and allied subjects, "to develop scientifically and professionally trained bankers." For several years the promotion of the forum among Institute chapters was carried on by the public affairs committee as a part of its work.

The first national forum committee was appointed by President Stewart D. Beckley in 1920. Because of the many problems that were developing as a result of World War I, the national administration felt that the Institute should provide suitable means for enabling older bank men, and particularly junior officers, to come together for the purpose of discussing current banking problems. But looking beyond the immediate present, the administration deemed it essential that the Institute offer a program of education which would permit a banker to study continuously, and the forum was the logical place for the Institute graduate to continue his education along banking lines. Commenting on this subject President Beckley said:

> The primary requisite for a successful forum is that its discussions must be reputable for their sound reasoning and for a disposition on the part of those participating to search for indisputable facts without prejudice. Among other requirements, therefore, it would appear that:
>
> First—The membership of a forum should consist of Institute graduates and advanced banking men.
>
> Second—The subject discussed should be one of importance, usually a current financial or economic problem of national or international consequence.
>
> Third—Speakers should be capable men of recognized ability and standing.
>
> The Institute is interested not only in developing men but also in training for better citizenship.

Forum meetings in those days were usually held monthly, as they commonly are today. The first half of each meeting was devoted to an address by a prominent authority on a given subject, and the rest of the meeting was thrown open for general discussion.

Throughout the 1920's and the 1930's the forum was promoted essentially for the purpose of meeting the needs of special banking groups. In fact, membership in the forum, as a rule, was

Development of the Forum

"restricted to Institute graduates, to bank officers, to senior bankers, and to department heads." For these restricted groups the forum became a medium for advanced education and an effective means of retaining the interest of older chapter members who might have completed many or all of the study courses.

The national forum committee assisted the chapters in promoting this activity by outlining plans for the organization of the forum, by suggesting lists of suitable subjects for discussion, and by exercising general supervision of forum work.

To stimulate forum discussion groups, in 1936 the national forum committee inaugurated a nationwide celebration designated as national forum week. Each year a certain week in October or November was selected as national forum week, and all chapters were urged to join in the celebration by conducting a forum meeting during that week.

In 1940, by action of the Executive Council, the name of the committee was changed to national forum and seminar committee, in the belief that this committee should sponsor two kinds of activities, one being the more or less informal and occasionally conducted forum and the other the more formal and regularly conducted seminar. Chapters were asked to use the new designation for their local committee.

The seminar "took hold" to such an extent that it soon superseded the forum as a means of carrying out the essential objective of serving as a medium of education for seniors. Therefore, the character of the forum has undergone a change since 1940. While it continues to be of educational value to older Institute members, it also serves the purpose of interesting new bank employees in the activities of the Institute. Consequently, the meetings are often followed by some form of entertainment or other attraction.

Many chapters, with the cooperation of the United States Secret Service Division, have made arrangements for forum meetings on the subject Know Your Money. The forum and seminar committee has cooperated with the public relations committee in sponsoring such meetings, which the general public has often been invited to attend. Motion picture films of educational value have been shown before forum groups, and many other means have been devised to make forum meetings a success. Far from limiting forum activities, the seminar has caused the forum to become of increasing usefulness by expanding its work in directions not previously contemplated.

Development of Seminars

Since the launching of the seminar idea in 1940, well organized series of lectures have become important features of the supplementary educational offerings of many chapters. The seminars, like the forums, are an extension of the Institute's educational program beyond the courses required for certificates. They were introduced primarily for the fourfold purpose of developing the interest of senior bank officers in the Institute program, of reviving the interest of certificate holders where that interest had lagged, of enlisting the interest of bank officers who had taken no courses under the auspices of the Institute, and of offering an attractive program of advanced study to graduates who might feel that they had exhausted the educational program.

The national forum and seminar committee and the national educational director have collaborated in suggesting to local forum and seminar committees complete programs for series of seminars, and the local committees have been encouraged and assisted in the planning and execution of programs deemed more suitable for their communities than those suggested by the national committee. Sometimes a series of seminars has included a group of topics under a general theme, such as bank manage-

ment problems, investment problems, or current economic problems. Sometimes the topics have varied from one seminar meeting to another, reliance for the attraction of attendance being placed on the variety of the offerings.

Home mortgage lending and consumer credit have occasionally been found to be matters of current local interest, and around one of these topics an entire series of seminars has been built. Two other seminar themes that have created considerable interest have been bank financing of foreign trade and banking and public affairs.

Much ingenuity has been shown by local forum and seminar committees both in the organization and operation of their seminars and in the adaptation of their programs to local and current needs. One chapter, for example, offered single tickets for a series and provided that only the purchaser of a ticket might be admitted on it. Another chapter sold transferable tickets, not to individuals but to banking institutions, with the understanding that the officers of the bank might attend only those meetings in which their individual specialties were to be discussed.

No regulation has been imposed or suggested by the national forum and seminar committee with respect to the organization, operation, or nature of the program to be offered. The only request made by the committee has been that high quality be maintained, so that the interest of the groups appealed to may be both stirred and perpetuated. Furthermore, chapters have been asked to conduct only as many seminars as would insure good attendance, the number depending on the time available, the fields of interest to be covered, and other considerations of a local nature. Local chairmen have been urged to obtain speakers who are recognized authorities in their subjects.

Metropolitan and other large chapters have had practically no difficulty with this phase of educational work. Their seminar programs have left little to be desired in the matter of quality, and their meetings have been well attended. But a particularly gratifying aspect of the seminar technique has been its growth and development among small chapters and even among study groups. Some of these smaller units have offered seminar series of outstanding quality and in a number of cases have succeeded in doing so for several consecutive years without affecting their other educational efforts.

The development of special seminars during the postwar period will be described in a later chapter.

National Forum and Seminar Month

When the name of the committee was changed to forum and seminar committee, the name of the annual observance was changed to national forum and seminar week. Since the fall of 1944, however, the entire month of November has been designated for the national observance of forum and seminar work. A general theme for each year's forum and seminar program has been adopted by the committee and has been announced in connection with the annual celebration. In 1944 the general theme was Inter-American Trade and Travel in the Postwar World; in 1945 it was Increasing Banking Services; in 1946 (to mention just one more year) the general theme was Banking and Inflation.

THE ANNUAL CONVENTION

The value of the annual convention as a supplement to the educational program cannot be emphasized too strongly. It is not too much to say that the progress of the Institute has been due more largely to this phase of its work than to any other single influence. Each year the Institute finds itself on a higher plane

of efficiency, and each convention takes on an increasing degree of importance.

Without such an opportunity as the convention affords, the untiring efforts of the builders of the Institute would have been of little avail. The American Institute of Banking was properly designed as a national organization for uniformity of action, and results to this end could never have been accomplished through the operation of many sections working along different independent lines. It has been through the convention that the solidarity of the organization has been firmly established and harmony in the policies of the chapters has been maintained.

The convention always has exemplified, and always will exemplify, the Institute as an educational association. While it is a highly enjoyable occasion, its main purpose is not that of entertainment. Here hundreds of delegates gather to rub elbows with their fellow bankers, to exchange ideas, and to broaden and strengthen their knowledge and experience. At its departmental conference sessions, problems of finance and practical banking are earnestly but freely discussed by the best banking brains in the country. At its Institute conferences the educational and administrative problems of the local chapters are attacked and smoothed out, the question of public relations is thoroughly discussed, and many other phases of chapter work are given thoughtful attention.

Each chapter sends able delegates, and association with them is in itself an education and an inspiration. The friendships that spring from the annual conventions and the acquaintances made there have a wider significance than that of mere personal gratification and momentary entertainment. They have a business value, not only for the individuals concerned but for their institutions as well.

In his inaugural address at the Tulsa convention in June 1929, President W. J. Evans concisely summed up the proper place of the convention in the affairs of the Institute with these words:

"The convention is the powerhouse of the Institute, and you delegates are the live wires through which the current of power generated by the convention dynamo is to be transmitted to the various local chapters—a means of recharging the batteries of Institute enthusiasm and replenishing the supply of energy for Institute activities."

XXVII

National Committees

THE activities of a number of national committees, especially those whose work finds its culmination in the annual convention, have already been described sufficiently for the purpose of this record. There are several other permanent committees whose activities may not terminate in such a spectacular manner but are nevertheless vitally necessary to the success of the Institute. It is the aim of this chapter to touch briefly on the history and objectives of these committees.

During the formative period of the Institute, many of its leaders looked forward to the time when, its policies firmly established, it might take a larger part in matters of public concern. The convention addresses of these leaders were punctuated with hints of a broader field of service for the American Institute of Banking. One such address was that of E. D. Hulbert at the Atlantic City convention of the Associated Chapters in 1906, and his prophecy of the future was on the way to fulfilment when President H. J. Dreher, in 1913, appointed the first Institute committee on public affairs.

The chairman of the new committee was E. G. McWilliam of New York. In outlining the plans of his committee, in the April 1914 issue of the Bulletin, he said:

> As Institute men, our minds immediately turn to things educational and financial, but always in relation to financial men. Why not include the general public? There is no doubt that the prejudice against banks and bankers in the minds of the great uneducated class termed "the masses" is due entirely to ignorance. It is to this class that our legislators and yellow journals cater, because it represents that great invisible power, public opinion.

Public Affairs Committee

Our first suggestion, therefore, is that every chapter train some if its men in speaking upon the nature and functions of the various financial institutions of the country before church clubs, neighborhood gatherings, schools, or any other gatherings of people, no matter what their degree of intelligence. These talks should be in the most simple terms, avoiding the technical, should aim entirely to give information, and in no sense savor of advertising. They should also, with a view to combating the recognized present-day extravagance of our Nation, call attention to the value of thrift and how the various financial institutions may be used as aids thereto.

In urging the chapters to train some of their members in public speaking so that they might be fitted to speak "upon the nature and functions of the various financial institutions of the country before church clubs, neighborhood gatherings, schools, or any other gatherings of people," the committee was sowing the seed of public education that "flourished and flowered in the Institute garden" for many years.

One of the resolutions presented for adoption at the Dallas convention in 1914 by the committee on resolutions is worthy of note in this connection:

Resolved, That we pledge ourselves to make this Institute that factor for good throughout the Nation which will result in a closer cooperation between the public and the financial institutions, and will improve the great underlying economic conditions of our country by increasing its thrift.

Carrying the thought a step further, an article entitled Public Affairs and the Institute, which appeared in the January 1915 Bulletin, closed with this pungent admonition: "A great opportunity for service confronts the Institute. Let us not be found wanting, at least in inclination, remembering that 'he best serves himself who best serves others.' "

Mr. McWilliam, who was reappointed chairman of the committee for 1914-1915, included as a part of his report at the San

Francisco convention, in August 1915, brief statements from the presidents of twenty-five chapters regarding the public affairs work undertaken by them during the year just closed. He mentioned particularly the work that had been done by San Francisco, Philadelphia, and New York chapters.

The public affairs committee performed outstanding services during World War I in connection with liberty loan drives, war savings campaigns, and Red Cross work, to mention only a few of the many activities in which it engaged.

When the public education committee was created in 1924, the responsibility for sponsoring talks before school, club, and civic groups was transferred to the new committee. Hence the public affairs committee turned its attention to other phases of public relations work and to new fields of service. Among these activities were the following: encouraging chapters to make arrangements for their members to visit local industrial plants, promoting correspondence work and the organization of group study classes, urging chapters to join the American Bankers Association, encouraging chapters to send delegates to state and county meetings of bankers, and endeavoring to have Institute members placed on the programs for such meetings.

The appointment of the public education committee by President E. V. Krick in 1924 was the result of a series of events that began several years earlier. To understand its functions, therefore, one must know something of the historical background.

Origin of the Public Education Committee

In the spring of 1919 the American Bankers Association began to consider seriously the inauguration of a program to give the general public a better understanding of the functions and purposes of the banking system, to promote habits of thrift, particularly among the school children of America, and in general "to broaden the service of the bankers of the nation to the

general public by drawing the people into closer relations with the bankers of each community." The St. Louis convention of the Association in September 1919 authorized the appointment of a committee on education to make a survey of the situation and to devise a plan for putting such a program into effect.

The first thought of this committee was to have suitable text literature on the accepted principles of banking prepared and introduced into the public schools. For the purpose of investigating the possibilities, the committee held a three-day meeting in New York, March 11, 12, and 13, 1920, which the following were invited to attend: Professor E. W. Kemmerer of Princeton University, Frank A. Vanderlip, former president of the National City Bank of New York, Arthur W. Page, editor of World's Work, and representatives of Gregg Publishing Company, Ginn & Company, and The Macmillan Company. During the three days the committee made an exhaustive investigation of the existing school textbooks on the subjects of banking and finance, economics, and arithmetic.

The committee members found that the public schools already had so many subjects that it would be difficult to introduce new courses, but in consultation with the publishers they learned that the subject of banking could be presented fairly well in revised editions of textbooks on arithmetic and economics. The committee members also learned that the process of revision would not be a very speedy one. They wanted quick action; hence they suggested that the Institute prepare a series of pamphlets on such subjects as money, credits, and exchange which banks might give to their customers and which might be used by bankers in addressing public school groups and other audiences. The committee also suggested that the Institute furnish the lecturers to give these addresses.

The report of the committee on education, containing the recommendation that the Institute actively participate in the proposed work, was presented to the Washington convention of the American Bankers Association in October 1920 and was approved. A new committee, with John H. Puelicher of Milwaukee as chairman, was appointed and was renamed the committee on public education.

The new committee went to work immediately on plans for a campaign to educate the school children of the country and the members of social and business organizations in the principles of banking and related subjects. Under the direction of George E. Allen, educational director of the Institute, lectures in outline form were prepared on the following subjects: money and other commodities, bank deposits, bank checks, credit and exchange, bank loans, savings banking, trust functions, Federal Reserve System, and bank public relations. The committee believed that any banker who knew the details of the banking business would be able to construct his speeches, adapted to his own personality, from the skeleton lectures supplied by the Association.

At the spring meeting of the Executive Council of the Association in May 1921, Chairman Puelicher reported that the educational director had prepared ten skeleton lectures which were to be presented before grade and high schools at the rate of one each month for ten months beginning September 1921.

After the public education work was begun in the fall of 1921, it was discovered that banker speakers needed more than lecture outlines. Therefore, the Institute undertook to develop complete lectures. When Educational Director Allen retired on August 31, 1922, the burden of continuing the preparation of public education material fell on Secretary Richard W. Hill.

Because of the increased amount of work which the develop-

ment of complete lectures would entail, the committee on public education suggested to the Institute Executive Council that the new educational director, when appointed, devote a portion of his time to the preparation of public education material. The agreement finally reached by the committee and the Institute council provided that the Association would assume part of the salary of the educational director with the understanding that he would take charge of the preparation of the public education lectures. The agreement also provided that the secretary of the Institute would be secretary of the committee on public education and would be responsible for carrying out the mechanical details of the work, his salary for acting in this capacity to be fixed by the administrative committee of the American Bankers Association and to be paid by the Association.

At its Atlantic City convention in September 1923, the Association adopted a by-law providing for a new committee on public education to consist of three members of the Association who were members of the American Institute of Banking Section, to be appointed by the president of the Association, three members of the American Institute of Banking Section to be appointed by the president of the Institute, and one member of the State Secretaries Section to be appointed jointly by the presidents of the Association and the Institute.

At the spring meeting of the Executive Council of the Association in April 1924, the name of the committee on public education was changed to public education commission.

A few months after that action was taken, the Institute public education committee was appointed by President Krick. The main duty of this committee was to serve as the agency for putting into effect the program formulated by the public education commission. In other words, it was the liaison group between

Work of the Public Education Committee

the commission and the chapters, who were called upon to provide speakers for giving prepared talks before local groups.

Two series of talks were adapted for student audiences, one for delivery before grammar school groups and the other for delivery before high school groups. Another series was adapted for adult audiences, such as civic and social clubs and business organizations. Beginning in 1928 one member of the public education committee was designated the supervisor of radio campaign, charged with the responsibility of promoting the use of specially prepared radio talks.

The educational director, the secretary, and the public education committee of the Institute continued the work of carrying on the Association's program of public education until the fall of 1939, when the American Bankers Association created its public relations council. This council was placed in charge of all Association activities pertaining to public relations, and a council subcommittee, designated committee on public education, was created to assume direction of public education matters. The by-laws of the council provided that its membership should include the chairman of the public education committee of the American Institute of Banking and that he should be a member of the subcommittee.

In 1940 the Institute discontinued its public affairs and public education committees and assigned the work formerly carried on by those committees to its newly created public relations committee. The public relations council of the Association then amended its by-laws to substitute "chairman of the public relations committee" for "chairman of the public education committee."

There had been some overlapping in the activities of the public affairs and public education committees; hence their

replacement by the public relations committee eliminated duplication of effort and resulted in more effective work.

Public Relations Committee

At a meeting in June 1940, the Executive Council approved a plan for the coordination of Institute public relations activities with those of the American Bankers Association and the various state bankers associations. To accomplish this coordination objective, the public relations committee was enlarged to fifty-one members, consisting of the national chairman, three vice chairmen, and at least one member for every state.

The national chairman, through his membership on the public relations council, was the chief coordinator. The job of the national committeemen for each state was to coordinate the public relations work of the local chapters with that of their state bankers associations. Therefore, the state associations were asked to make the Institute state committeemen members of their state committees on public relations.

Since its inauguration in 1940 the public relations committee has carried on the task of promoting a better relationship between banking and the public as vigorously as possible and has sought to have every Institute chapter and study group participate in some form of public relations activity.

When all national committee districts were reduced from eighteen to twelve in the fall of 1944 because of war conditions, the personnel of the public relations committee was correspondingly reduced.

Publicity Committee

The history of the publicity committee dates from the first convention of chapters at Cleveland in 1903. For many years, however, it was essentially a convention committee. The scope of its activities was gradually enlarged after 1908, but until 1912 its objective was primarily that of giving publicity to the work of the Institute.

In appointing the publicity committee for 1912-1913, President Raymond B. Cox outlined the larger aims of the committee in these words: "The committee will keep the financial and public press supplied with articles by Institute members, thus taking part in the education of the public. The contributions to this effort will be another demonstration of the value of the Institute since they are the results of its training."

Because of the unusual conditions that existed during the first world war, the publicity committee experienced difficulty in carrying out its aims. Nevertheless, it kept the Institute well advertised throughout the country and, in addition, assisted the public affairs committee in its war campaign work.

A great spurt forward in publicity activities came during the year 1923-1924, when the committee set up a twofold program, one to promote national advertising and the other to assist local chapters in their advertising. Eight objectives were outlined for the national advertising program and five for the chapter advertising program. The intensive work carried on by the committee during the year culminated in the new form of publicity display (described in Chapter XXV) at the Baltimore convention in 1924.

The goal of the publicity committee for 1930-1931 struck a note midway between the modest programs of the early years and the somewhat elaborate program of 1923-1924 and more nearly approximated the present trend in publicity work. The committee suggested that all Institute publicity during 1930-1931 be planned with the following purposes in mind:

1. To retain those already members and to secure new members

2. To secure enrolments in the various study courses and to maintain interest in educational activities

3. To inform members of the different educational activities

4. To stimulate the active and direct interest of senior bank officials in chapter activities

5. To emphasize the innumerable individual benefits derived from participation in educational meetings

6. To disseminate among the public information concerning the American Institute of Banking, pointing out how its work is evolving a higher standard of banking efficiency.

Chapter publicity chairmen were urged to utilize the following mediums to accomplish these purposes: newspapers, chapter publications, bank organs, the A.I.B. Bulletin, posters, the radio, speakers for club and civic meetings, window and lobby displays, direct mail, booklets, and programs.

In the fall of 1940 the publicity committee prepared the Institute's first Publicity Handbook and thus took another step "toward more thorough advertising and better trained chapter publicity men."

Membership Committee

A membership committee was appointed for the first time in the fall of 1916, "to gather together methods employed in various chapters for bringing Institute work forcibly to the attention of bank men and the dissemination of such information to all chapters needing assistance in that particular."

In 1917 an article outlining the president's plans for the ensuing year had this to say about the membership committee: "The main purpose of this committee will be to devise ways and means to keep alive an active interest in Institute affairs among members throughout the country, and especially to keep in touch with such chapters as are showing a tendency to have a falling off in their numbers."

As with all other national committees, the scope of the membership committee's work became considerably enlarged with

the passing of years. Thus, in 1923 the chairman suggested that chapter presidents follow as closely as possible the national policy, which he stated to be:

1. The elimination of "dead wood"

2. A healthy, conservative, constructive growth comprising men and women who are desirous of securing a well rounded banking education

3. The addition of new members who are interested in the organization phases of Institute life

4. The cultivation of bank directors and a special form of membership for them so that their support may be enlisted when needed.

The report of the membership committee for 1929-1930 included some new points.

"The five cardinal aims of the national membership committee, as carried forward from year to year, have long ago proven their worth and soundness. As a reminder of what these fundamentals are, it is well to repeat them here:

"1. To carry the message of the A.I.B. to every bank employee and to secure a good healthy membership increase of at least 10%

"2. A definite effort to enroll 100% of all officers and directors of banks

"3. A definite effort to enroll a larger number of women employees and to encourage their participation in chapter activities, particularly enrolment in classwork

"4. A definite effort to reduce the yearly turnover in chapters, both as to membership and class enrolment

"5. Close cooperation with chapter educational committees and the definite effort to enroll new members, with a primary view to their participation in the educational work."

The aims here set forth continue to be the basic objectives of the membership committee, termed membership and enrolment committee since 1940.

Research Committee

The Institute research committee was appointed in 1940 for the purpose of cooperating with the research council of the American Bankers Association in gathering information on which to base its surveys. Prior to that time the research council had depended on the questionnaire method of obtaining data. There were many occasions, however, when personal contact with member banks would be a more effective means of gathering information, and it was felt that such contact could be provided through the use of an Institute committee.

The research committee had a personnel of eighteen members, one for each of the committee districts into which the country was divided. Subcommittees were appointed for each district along county lines as units in order to avoid overlapping. When the committee was completely organized, there were 372 subcommittee members on whom either the research council or the Institute Executive Council might rely in obtaining data on a nationwide basis. Thus the committee was in a position to tap any section of the country, or the country in its entirety, for information which would prove of value both in interbank relations and in the relations of banking with the general public.

Since the activities of the research committee were somewhat continuous in nature, the same committee personnel was reappointed with only a few changes. The committee served a useful purpose during its short life, but war conditions in 1942 made it necessary for the Institute to discontinue all but essential committee work. Hence the research committee was not reappointed after 1942-1943.

XXVIII

Correspondence Chapter, Inc.

CORRESPONDENCE instruction has always been looked upon as an important phase of the Institute's educational program, but the operating agency has changed several times since the early days. First of all, the Correspondence School of Banking, which was started a few months after the American Institute of Bank Clerks was organized in 1901, operated for three and a half years and then was discontinued, effective October 1, 1904. The story of that adventure in correspondence study has already been recorded in some detail.

After a lapse of nearly three years the Correspondence Chapter was organized in 1907, with a somewhat imposing official personnel, and through this unit an arrangement was made with the International Correspondence Schools of Scranton for the conduct of correspondence courses on the sectional plan. At the same time the prescribed reading courses were made available to members of the Correspondence Chapter who wished to qualify for the official examinations leading to the Institute certificate. The history of this first Correspondence Chapter also has been recounted, as well as the fact that the chapter as an independent unit was temporarily voted out of existence by the Executive Council when it adopted a resolution on June 21, 1910 authorizing the Institute to take over the reading courses being conducted by the Correspondence Chapter and revise them for the use of chapter classes as well as correspondence students.

That action was taken by the council immediately following amendment of the constitution to make institutions that were members of the American Bankers Association associate mem-

bers of the Institute. Why the granting of associate membership to members of the Association should have rendered the chapter organization unnecessary is somewhat difficult to understand, but that that was the opinion of the administration is evident from a statement in the council minutes that "associate members of the Institute would naturally supersede the Correspondence Chapter."

At any rate, for a period of two years correspondence instruction was conducted by the general office of the Institute, which supplied the study course material and paid the examiners' fees for the correction of students' papers. The method of carrying on correspondence instruction during these years has been described in Chapter XV.

Movement to Revive Correspondence Chapter

But there were those who felt that the Institute was not reaching the country bankers as effectively as it should. In February 1912, therefore, President Raymond B. Cox announced the appointment of a committee on correspondence instruction consisting of Craig B. Hazlewood of Chicago, chairman, Gray Warren of Minneapolis, Lawrence C. Humes of Memphis, H. V. Alward of Kalispell, Montana, and Charles H. Mueller of Baltimore.

At the Salt Lake convention in August 1912, this committee presented a lengthy report in which it pointed out that of 13,000 members of the American Bankers Association, 500 in the larger cities were represented by 12,372 Institute members, while the remaining 12,500 Association members were represented by 357 correspondence students located in country banks. The committee recommended an intensive promotion campaign, the printing and distribution of a pamphlet on the objects and scope of correspondence work, and the employment of an additional correspondence instructor on a fee basis.

Fred A. Crandall, chairman of the Institute Executive Council, made a report to the American Bankers Association convention in October 1912 in which he stated that a "Correspondence Chapter of constitutional standing" had been established "for the purpose of putting country students upon an equal and identical footing with their city brethren." He was referring, of course, to the fact that Articles III and IV of the revised constitution of the Institute adopted at the Salt Lake convention made provision for the Correspondence Chapter, defining its membership and giving it voting representation at annual conventions.

In January 1913 President Byron W. Moser announced the appointment of a committee on correspondence instruction consisting of 126 members, whose duty it would be "to promote, by word of mouth or otherwise, the work of the Institute among country bankers."

The following year President H. J. Dreher, in an article appearing in the December 1913 Bulletin, made the following statement about correspondence work:

> A degree of success has thus far been obtained in our correspondence work. The greatest problem before the Institute today is its wider extension. After due consideration, and consultation with both educational director and Executive Council, I have determined that a Correspondence Chapter, incorporated with powers similar to other chapters and directed by country bankers, is the most practical solution of the problem. This will place country bankers in control of the chapter in which they are most interested and should result in increased Institute loyalty on their part and a marked extension of correspondence work.

The committee appointed by President Dreher for the purpose of preparing the necessary incorporation papers and by-laws consisted of William M. Rosendale, Joseph A. Broderick, and George E. Allen, all of New York.

Correspondence Chapter Incorporated

When the committee had drafted a proposed certificate of incorporation and a form of by-laws, these papers were submitted to the Institute Executive Council by mail and were approved. The incorporation papers were then filed and recorded in the offices of the proper state and county officials on March 30, 1914.

The incorporators met on April 1, 1914 for the purpose of completing the organization details. The by-laws approved by the Executive Council were read and adopted, and the following were elected directors to serve until the first annual meeting of the chapter.

Frederick W. Hyde, National Chautauqua County Bank, Jamestown, New York
Charles W. Beerbower, National Exchange Bank, Roanoke, Virginia
William M. Rosendale, Market & Fulton National Bank, New York City
William A. Law, First National Bank, Philadelphia, Pennsylvania, ex officio
H. J. Dreher, Marshall & Ilsley Bank, Milwaukee, Wisconsin, ex officio

Four officers were elected by the incorporators to serve for the ensuing year.

President: Frederick W. Hyde
Vice President: Charles W. Beerbower
Secretary: George E. Allen
Treasurer: Bankers Trust Company, New York City

The business of correspondence instruction was transferred by the Institute to Correspondence Chapter, Inc., effective April 1, 1914.

On April 30, 1914 President Dreher submitted a report to the Executive Council of the American Bankers Association, outlining the action that had been taken and requesting the approval of that body. The report was approved.

The following excerpt from the report throws additional light on the circumstances surrounding the incorporation of the Correspondence Chapter.

A Correspondence Chapter has been incorporated under the laws of New York. This state was chosen because the Institute offices are located therein. Only one chapter was incorporated because for many years to come the thought and energy necessary to deal aright with problems attendant upon a formative period must be concentrated, for effective results, upon a single organization.

Before the technical acts of incorporation were performed, the proposed plan was thoroughly discussed with William A. Law, first vice president of the American Bankers Association, and with Colonel Farnsworth. The matter was discussed with Mr. Law on account of the relation which the holder of the office he now fills has with the Correspondence Chapter government.

The charter of the Correspondence Chapter contains the usual phraseology necessary to comply with the laws of New York, and a recital of its provisions is not necessary.

The government of the chapter is vested in a board of directors consisting of five members, constituted as follows:

(a) Vice President of the American Bankers Association ex officio

(b) President of the American Institute of Banking ex officio

(c) Three directors to be elected by chapter members, to hold office for three years, except that at the first election one shall hold office for one year, one for two years, and one for three years.

By reason of the fact that the vice president of the American Bankers Association is ex officio a member of the board of directors of the Correspondence Chapter, a relationship is created between the chapter and the American Bankers Association which will—

(a) Proclaim to the country banker the fact that the American Bankers Association has a vital interest in the extension of correspondence instruction in banking and kindred subjects tending toward the increased efficiency of the banking profession, and

(b) Insure to the country banker a proper administration of the affairs of an organization created with the special object of serving his peculiar needs.

* * * * The by-laws of the chapter provide for proper administration and

also compel the approval by the Executive Council of the American Institute of Banking of any changes therein.

In the creation of the Correspondence Chapter a forward step necessary to the advancement and growth of the Institute has been taken. The principles upon which such chapter rests are sound and consistent with all that time has demonstrated to be of permanent value in Institute administration.

In accordance with the terms of the by-laws, the annual meeting of members was held on the fourth Monday in November, and this meeting was followed immediately by a meeting of the directors. The members elected the directors, and the directors then elected the officers from among their own number, exclusive of the ex officio directors.

An amendment to the by-laws, approved by the Institute Executive Council on October 6, 1919, provided that the president, vice president, and secretary of the Institute should be ex officio members of the Correspondence Chapter and that the persons who were president, vice president, and secretary of the Institute from time to time should be president, vice president, and secretary of the Correspondence Chapter.

Judging from the annual reports of the Institute president, the administration was satisfied that the incorporation of the chapter was the right solution of the country banker problem. President Robert H. Bean, for example, had this to say about the matter in his address at the Cincinnati convention in September 1916:

No development of our educational system has brought us a greater degree of satisfaction than the Correspondence Chapter. For several years the problem of reaching the banker in the scattered districts has caused successive administrations no end of concern. Much thought and energy were expended without adequate returns, and it was not until the establishment of the Correspondence Chapter that material headway was noted. During the last twelve months most satisfactory

work has been accomplished and the spark which was so long in kindling has assumed the proportions of a flame that indicates a countryside sweep into the districts far removed from the large city chapters. The state associations of California, Georgia, Kansas, Minnesota, Missouri, Mississippi, Pennsylvania, Tennessee, Texas, Virginia, and Wisconsin have gone on record as indorsing and supporting the Correspondence Chapter work.

Several state bankers associations went further than merely indorsing the work; they even acted as agents of the Correspondence Chapter. A summary of the method followed in California during 1916-1917 will serve as an example.

Banking Education in California

The California Bankers Association was appointed an agent of the Correspondence Chapter for the purpose of conducting the Institute standard study courses in California outside chapter cities. The Correspondence Chapter sent the textbooks and exercises direct to the student, who prepared his answers to the exercises and submitted them to the California Bankers Association. The student's answers were corrected and returned to him with criticisms and suggestions.

To conduct the correspondence work in this manner, the California Bankers Association was authorized to employ one or more competent instructors, subject to the approval of the Correspondence Chapter. It was the duty of an instructor to correct the exercises submitted by students, to answer questions asked by students, and to conduct the final examinations and grade the papers in accordance with conditions prescribed by the Correspondence Chapter. The chapter supplied the questions for the final examinations. After the papers were graded, they were submitted, through the Correspondence Chapter, to the American Institute of Banking for approval.

The California Bankers Association retained a specified portion of the tuition fee collected from each student.

Group Study Plan

At the Executive Council meeting on April 4, 1923, President Carter E. Talman was authorized to appoint a committee to investigate Correspondence Chapter work in general and, if possible, to suggest a practical plan by which employees of banks in localities not large enough to support a chapter might have an opportunity to take up Institute work in organized groups.

The committee, which was continued by President Clarence R. Chaney in July 1923, submitted a proposed plan to the Executive Council at its midwinter meeting on January 24, 1924. In presenting the committee's report, Chairman Norman T. Hayes said:

> One of the outstanding advantages of the proposed arrangement, and one that has been absent in every experiment heretofore tried, is that a paid instructor to guide and direct the students is provided for. It does not increase the cost of the course to the students, which is a very important factor, and it can be put into operation without any material increased expense to the Institute. The plan is as follows:
>
> In communities in which at least ten bank men or women can be interested in taking Correspondence Chapter work, a class may be formed under the supervision of an instructor whose qualifications are to be passed upon by the New York office.
>
> Each Institute course has been outlined to cover 28 lessons or class sessions, and the local instructor will be required to meet with the class at each session. The New York office will provide him with an outline of the course and quiz questions; also a textbook. The members of the class, in addition to meeting with the instructor weekly, will prepare written answers to the practical exercises which are provided by the Correspondence Chapter in connection with each course. The local instructor will grade the papers, sending a memorandum of the grades to the New York office for record.

The Executive Council approved the plan, and the matter of working out the operational details was left to the national secretary.

The organization of group study classes went forward slowly

during the next few years, since there was a limit to the amount of organization work the councilmen could do because of the large areas to be covered. It was felt that little real progress could be made unless the Institute could furnish a force of field workers to go into the smaller communities, sell the Institute to the banks and their employees, and assist them in organizing classes. As a solution of this problem, the appointment of associates was authorized on June 16, 1930, as indicated in Chapter XXIV.

A minimum amount of administrative work was called for in the operation of a group study class. One member of the group was chosen to act as class leader. His duties were to keep an attendance record, to give absent students the next week's assignment, and generally to promote class interest. The group selected an instructor, and his name and qualifications were submitted to the Correspondence Chapter for approval.

All detail work was handled by the Correspondence Chapter staff in the national office of the Institute, from which all study material was sent to the group and to which all examination papers were forwarded for grading. The cost of a course taken in a group study class was the same as the cost of a course by correspondence, and from the funds received the Correspondence Chapter rebated $10 for each group study class member toward the compensation of the instructor.

The group study plan proved to be a satisfactory means of reaching large numbers of bank employees in areas where chapter organization was not feasible, but as time went on there developed a feeling on the part of the Executive Council that the cost of courses under this plan was too high in comparison with the cost of courses conducted through local chapters.

In January 1939, therefore, the council began to consider the measures that might be taken to have the work of Correspond-

End of Correspondence Chapter, Inc.

ence Chapter, Inc. restored to the Institute. Several methods were suggested for accomplishing this result. One was absolute control of Correspondence Chapter, Inc. Another was shift of activity from the chapter to the Institute. Still another was transfer of its assets and liabilities, which would require subsequent ratification by the chapter members—a difficult procedure. The fourth suggestion was dissolution of the corporation.

In June 1939 the Institute by-laws were amended to authorize a new form of unit, the study group, which could be operated by the Institute, independently of the Correspondence Chapter, at a moderate cost to the student. The amendment also authorized the Institute to conduct courses by correspondence. The work of Correspondence Chapter, Inc. was superseded by these new arrangements, and there was thus no reason for the continuance of its corporate existence.

Consequently, by means of a preliminary agreement between the Institute and Correspondence Chapter, Inc. on June 6, 1939 and a final agreement on June 7, 1942, complete transfer of the assets, liabilities, and activities of Correspondence Chapter, Inc. to the Institute was affected, and the chapter ceased to exist.

Since that time all correspondence and study group work has been carried on directly by the Institute, and the responsibility for the conduct of the work rests on the national educational director. The story of later correspondence and study group development is told in a subsequent chapter.

XXIX

The Teaching Staff and Teaching Aids

NO EDUCATIONAL institution is better than its teaching staff makes it. A beautiful campus, modern buildings, and a fine library are good things to have, but unless the men and women who do the teaching are imbued with a love of their work and are inspired by a desire to help students master their subjects, a poor educational product is likely to result. The best teacher is the one who can stimulate others to use their mental and physical capacities to the maximum degree of attainment.

With respect to this phase of its work, the Institute has been fortunate. Throughout its fifty years of activity it has had the services of many hundreds of distinguished professional educators, and even when the compensation has been none too high, these men and women have contributed unsparingly of their abilities to help make Institute classrooms into centers of learning. They have adapted their teaching methods to the peculiar circumstances that characterize adult study after working hours. They have lent intellectual inspiration to eager minds in tired bodies and have made the process of learning an attractive sideline of the working day for thousands of bank men and women. In addition, they have brought to many Institute classrooms the techniques of professional pedagogy and thus have stimulated non-professional fellow instructors to do even better work than they could otherwise have done.

But the Institute has had to place heavy reliance on instructors who have not been from the ranks of professional teachers, who have never thought of themselves as teachers in

the formal sense. They have been successful because they have had those inherent qualities of sympathy, interest, and sense of direction which bring other people to a point where they will exert themselves to the utmost.

The Institute has had to depend on such teachers especially for courses that might be labeled as practical: Fundamentals of Banking, Analyzing Financial Statements, Credit Administration, Bank Administration, Consumer Credit, and the like. Here the professional teacher is handicapped by lack of experience. But in teaching these courses, in presenting his accumulated experience, the non-professional teacher is handicapped by lack of pedagogical training or experience. Yet it has been to the credit of these men and women that they have applied themselves with vigor, intelligence, and remarkable adaptability to their tasks of instruction and have done it so well that the Institute takes justified pride in their contribution to its successful operation as an educational institution.

In almost every case these non-professional instructors have come to their classrooms after having completed a full day's work at their banks. The pressure of their own institutional responsibilities often has been very heavy. Ample time for preclassroom preparation frequently has been obtained only by the sacrifice of domestic or social life, or even by encroachment on the hours of sleep. But such has been their devotion to the Institute, which in many an instance has been their own alma mater, that they have made the sacrifice willingly in order that they might help some fellow bank worker to become more efficient in his job and thus start to climb the ladder of promotion. In this respect they have amply demonstrated the meaning of "Institute spirit."

This history of the first fifty years of the American Institute

of Banking would be incomplete if it failed to lay a tribute of appreciation at the feet of these "amateur" teachers who have carried such a heavy load of responsibility throughout the years and whose contribution to the success of the educational program has been immeasurable. The Institute owes them a debt which it can never repay.

Supplementary Teaching Tools

Ever since the Institute undertook to prepare its own textbooks in 1909, it has furnished supplementary material to aid instructors in carrying on their classroom work. At first this material consisted only of questions placed at the end of the text for the use of the instructor in testing the knowledge of the students prior to the final examination.

In the 1920's the Institute adopted the practice of preparing, in connection with each course, a student's manual containing quiz questions and suggestions for studying. At the same time it prepared an instructor's manual consisting of teaching outlines, bibliography, and other information bearing on the course. The instructor's manual and a copy of the student's manual were furnished to each instructor as a matter of routine.

Beginning in 1931 the quiz questions for the use of students were included in the text, at the end of each chapter, with the exception of the two law courses. Separate students' manuals continued to be supplied for these courses until 1947, when the questions were incorporated in a special section of each text. The problems for accounting were supplied in a separate booklet when the text was first published in 1937, but when the revised book was issued in two volumes in 1946 and 1947, the problems were incorporated in a special section of each text. Problems for Analyzing Financial Statements were prepared for the first time in 1948 and were placed in a special section of the revised book.

Answers to the questions or problems for the law courses, the

accounting courses, and the statement analysis course are now included in the instructors' manuals.

Perhaps the greatest improvement in Institute teaching aids in recent years has been in the character of the manuals supplied to instructors. The manual for each course is prepared with great care by the author of the text, in most cases as the result of actual experience in teaching Institute classes. It is an invaluable teaching tool, containing a schedule of lesson assignments, detailed suggestions for conducting each session, and other information designed to facilitate the instructor's work of carrying on his class. For many courses the manual contains an extensive bibliography of collateral reading references.

The Faculty

The Faculty is a small publication designed as one of the teaching aids provided by the national office for all Institute instructors. It is distributed also to educational chairmen of chapters and study groups and to others. Its aim is directed primarily toward the stimulation of instructors' interest in the educational work of the Institute and toward the development, if possible, of the same esprit de corps that has existed for many years among chapter leaders and Institute members. Many instructors are recruited for teaching duty from fields of professional interest other than banking; hence they need some medium to focus their interest on the organization of which they have thus become an important part.

In full realization of this need, The Faculty was launched in December 1936. It is of handy, pocket size, has a colored cover of attractive design, is printed on paper of good quality, and is usually illustrated with appropriate pictures of educational activities. Articles included in its pages deal with the philosophy of adult education, with teaching techniques in this field, with reviews of new and revised texts and teaching aids, with classroom

problems, and with any other matters that will carry information, guidance, and inspiration to the teaching staff and to chapter administrators in charge of local educational programs. Faculty members are frequently asked to contribute articles dealing with their own teaching problems and explaining, for the benefit of others, how they have solved them; or they may be asked to report on experiments used in their classes as a means of enlivening classroom work.

The pages of The Faculty also are used to report the proceedings of regional interchapter faculty conferences so that those unable to attend within a conference area as well as those located at points beyond that area may be given the benefit of the papers, discussions, and opinions developed in the conferences. Local chapter faculties often have conducted symposiums at which practically all the discussion was based on articles or reports found in The Faculty.

The exigencies of the war period interfered with the publication of this magazine, as they did with other Institute work; but as soon as the war ended, issuance of The Faculty was resumed. Two issues a year are planned, one at the opening of fall classes and the other at the beginning of the second semester.

Regional Interchapter Faculty Conferences

For many years members of the Institute's nationwide teaching staff had no opportunity to get together for discussion of educational policies and problems on the national level. In some of the larger chapters they did meet, to be sure, but such meetings were usually for discussion of local matters only, and ordinarily no one was present to offer national points of view.

The Institute took a significant step toward bringing its teaching staff in direct contact with the national organization when it held a regional interchapter faculty conference at Newark, New Jersey on October 29, 1938. To this conference were invited in-

structors, chapter presidents, and educational chairmen as guests of the national organization for one full afternoon and evening devoted to consideration of matters of interest to them. Eighty instructors attended the conference, with sixteen chapters represented from a wide area, including New Jersey, Pennsylvania, Delaware, Maryland, Virginia, New York, Connecticut, and the District of Columbia. It was the first time in the history of the American Institute of Banking that representatives of the national organization had come face to face with men who in many cases had given as much as thirty years of their time, energy, and ability to the teaching of Institute courses.

Talks on teaching methods in the various courses were followed by discussion and comments from conference attendants. Next, problems common to all instructors were considered, such as absences from classes, the assignment of outside reading material and written work, classroom conditions and discipline, class mortality, and other pertinent matters. The subject of grading papers and systems of marking also entered logically into the discussion.

Naturally, the representatives from the national office as well as the executive councilman for the area learned many things from the handling of this pioneer conference, and the lessons there learned were translated into action in later similar gatherings.

In 1939, faculty conferences were held in Cleveland, San Francisco, and Los Angeles. In each case the attendance was gratifying, the territory covered by the chapters represented was fairly extensive, particularly at Cleveland, and the spirit of each conference left nothing to be desired.

In 1940 a conference held in Chicago drew its attendance from Illinois, Indiana, Kentucky, Michigan, Minnesota, Mis-

souri, and Wisconsin. In addition to this formal conference, a number of informal faculty meetings were held. These meetings had the effect of developing a still keener interest in the Institute's educational work on the part of those who constituted its faculty, and they furnished an excellent opportunity for the exchange of ideas on teaching techniques and other matters of faculty interest.

During the war formal conferences were discontinued temporarily, partly because of wartime restrictions on travel and partly because of the ban on mass meetings and the lack of suitable hotel accommodations. Informal faculty conferences within the individual chapters were substituted for the larger gatherings.

When the war ended, it was felt that the valuable results obtained from regional faculty conferences should not be lost; hence such meetings were revived under authority granted by the Executive Council in 1946. That year two conferences were held, one in Boston to serve the New England area and the other in Philadelphia to serve the area covered by the pioneer conference at Newark. Three conferences were held on the west coast in the fall of 1947, one in Seattle, one in San Francisco, and one in Los Angeles. The executive councilman for the area acted as presiding officer at each meeting.

Regional faculty conferences were continued in 1948 and 1949 on a greatly expanded scale. In 1948 conferences were held in Columbus, Detroit, Milwaukee, St. Paul, Kansas City, St. Louis, New Orleans, Atlanta, and Richmond. The conferences in 1949 took place in Denver, Reno, San Antonio, Oklahoma City, Hartford, Baltimore, Raleigh, and Orlando.

The programs in 1949 were enlarged to provide a morning session attended by bank officers for the purpose of making a critical appraisal of the Institute's current curriculum and of

suggesting fields of study in which the educational program might be expanded in order to serve the needs of larger numbers of bank employees. These appraisal sessions resulted in the development of two principal recommendations: first, that an introductory, or indoctrination, program be offered for bank employees having less than five years of experience and, second, that attention be given to developing additional specialized courses at higher levels in the curriculum. Coming at the close of the first half-century of Institute evolution, these conferences forecast a more useful and still greater future for the organization.

It is believed that regional faculty conferences serve the purpose of stimulating faculty interest in the educational program and objectives of the Institute, that they inform instructors on national Institute policies, that they offer the opportunity to present national points of view to instructors who might otherwise have their horizons narrowed by local considerations, and that they inspire instructors to take a keener interest both in the work of the classroom and in the national activities of the whole organization. At the same time, they provide a forum in which the new or inexperienced Institute instructor can learn much about the techniques of adult education as it is carried on by the American Institute of Banking.

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The Institute Meets the Tests of War

WAR came to the American Institute of Banking a second time within a generation. This time it was more devastating and of longer duration than the first world upheaval. Although the Institute was now a mature organization, seasoned with the years and better able to withstand the shock of the onslaught, nevertheless it did not pass through the ordeal without some setbacks.

This chapter presents the story of how the Institute met the tests of World War II and by temporary expedients alleviated its impact. Developments of a permanent character during the war and the postwar years are presented in the succeeding chapter.

The entrance of the United States into the world conflict created many problems for the American Institute of Banking. One of them was the loss of its experienced local leadership to the armed forces. The men who were chapter officers, educational chairmen, and leaders in forum, seminar, debate, public speaking, and other chapter activities were, in a great many cases, at the right age to be taken into the armed services by the selective draft. Thus it was not long until the chapters felt their loss and were compelled to turn to untrained or inexperienced bank personnel for their choice of substitutes. It is to the credit of these substitute leaders that they took hold of their tasks with intelligence, with industry, and with vigor so great that they succeeded in keeping chapter activities at a high level.

The women of the local units carried their full share of the load, and in some chapters they actually filled all the offices.

Chapter Leadership

Moreover, many of the chapter oldtimers came out of semi-retirement, reassumed the burden of leadership, and carried on enthusiastically as long as the need existed. Graduates of The Graduate School of Banking were among this group of oldtimers, because most of them had been active in local chapters in their early days in banking.

By 1942 the unofficial slogan of the Institute had become "Do anything except quit"; and that is what these people did.

Wartime Interferences with Classes

The war brought serious problems with respect to the conduct of classes and class attendance. In the coastal areas the "blackout" was rather rigidly enforced in anticipation of enemy air raids or naval attacks. Hence every possible precaution had to be taken lest lights be shown. Classroom windows had to be covered with black shades, and during the winter months students had to travel home in the blackout after classes were over.

Then, too, many thousands of bank men and women undertook civilian defense duties, such as those of air raid and fire wardens, after banking hours as a patriotic task. Thousands more, especially the women, devoted their time and energy to the performance of Red Cross work after hours. And there were many more, from bank presidents to janitors, who accepted work in industry both before and after banking hours in order to help meet the wartime shortage of labor and to speed up essential industrial production. Some even carried two full-time jobs, one at the bank and another in a war plant.

All these things combined to make the successful conduct of Institute classes a matter of difficulty and to cut seriously into class enrolments. In addition, they brought about an increase in mortality among those who enrolled in Institute courses. The triple burden of the day's work, the overtime work both in the bank and in other activities, and the courses of study proved to

be too heavy a program. Many therefore took the step of simply dropping the courses while they continued the other jobs.

Ingenious ways were devised to meet this situation. In some instances classes were held in the early morning before the banks opened. In others, classes were conducted at staggered periods so that bank people could be released from their jobs in relays to attend the sessions. Moreover, chapters were urged to offer courses at any time during the year that enough students could be found to justify that procedure. Even midsummer classes were held and were well attended in a few areas.

Despite these and other efforts, attendance was affected. Yet it was felt by the Executive Council that everything within reason should be done to encourage enrolments and attendance. One step was to excuse such absences as were due to overtime work at the bank and to the performance of civilian defense duties. The object, of course, was to maintain enrolments and to encourage all possible study, because the banks needed trained personnel.

Acceleration of Three Pre-Standard Courses

Another means used both to stimulate wartime enrolments and to discourage the dropping of subjects by students was the acceleration of three pre-standard courses: Fundamentals of Banking, Commercial Law, and Negotiable Instruments. By resolution of the Executive Council in 1944, chapters and study groups were permitted to offer these courses on a basis of 30 hours of classroom work instead of on the customary 42-hour schedule, full credit toward the pre-standard certificate to be granted for each course so completed.

The members of the council realized that the acceleration of the work would put an increased burden on instructors and on students in these courses. They also realized that the amount of material to be covered within the time allotted would call for

intense concentration and that normal coverage could scarcely be expected. But they found justification for the change in the pressing need of banks for trained personnel and in the general adoption of the practice by educational institutions all over the country.

In many cases the policy was hailed as a constructive wartime innovation, and satisfaction was expressed over the educational results achieved. In other cases considerable dissatisfaction was felt because of the intensive effort needed to do justice to the content of the courses within such limited time, and in these instances the courses were restored to the 42-hour basis after one trial of the briefer schedule.

In view of the fact that the 30-hour offering was permissive, and not mandatory, a number of chapters and study groups continued the courses on the full 42-hour basis; others completed them in less than 42 but more than 30 hours. Some local units, while following the accelerated plan, expressed concern over the quality of the results.

Almost as soon as the war ended, these three courses were reinstated nationally on the regular 42-hour schedule.

Securing Instructors in Wartime

One of the more serious educational problems of wartime was that of securing competent instructors. Bank officers, like all other bank personnel, were carrying heavy work loads, particularly since there were large numbers of inexperienced employees in their institutions. Many of the men officers were doing war work in industry, in civilian defense, and in community projects incident to the war effort. Some felt that the addition of a teaching load was more than they could undertake, but many, often in a spirit of real self-sacrifice and because they realized its value to their own banks and to banking in general, undertook the job of teaching and did it well. Some of the women bank officers,

too, came to the aid of local chapters and study groups in the emergency and did a good job of teaching for the Institute.

High school teachers, especially those trained in the social sciences, willingly accepted appointments as instructors in Institute courses. In many cases where these teachers were not sufficiently versed in banking, local bankers of senior and junior officer standing attended the sessions and helped them over the more technical phases of the subject matter.

Meeting the Problem of Wartime Travel

The shortages of gasoline and tires posed serious problems with respect to attendance at classes, especially in the larger cities and in areas served by study groups. Many students were unable to reach classrooms because of these restrictions on travel. The difficulty was partly overcome by the willingness of the government to allow an extra ration of gasoline to those whose travel was properly attributable to educational effort.

Some of the larger chapters adopted the policy of establishing classes in outlying metropolitan areas. Thus in some cases only the instructor had to travel any considerable distance to the classroom, while in others an instructor was found in the outlying area to be served by the class.

In some study group areas the transportation problem was solved in one of two ways. Either the class meetings were rotated among the communities served by the study group, so that each week some students did not have to travel, or the study group was split into small classes, each of which held its meetings in its own community. One study group hired a school bus for transportation to and from classes.

The flow of experienced manpower out of the banks into the armed forces and into industry quickened perceptibly as the war effort progressed. Some institutions suffered less from the loss of trained personnel than others. Yet there were instances in

which the loss was as high as 90 per cent of a bank's working force. As a result, bank operations were carried on with increasing difficulty. Personnel men were almost at their wits' end in the search for boys, girls, former bank employees, married women whose husbands were in the service, retired bank employees, people who had handled cash and checks in mercantile or industrial establishments, graduates of business colleges, and graduates of commercial high schools as replacements for depleted staffs. There were instances in which banks published advertisements or sent letters to their customers asking for understanding and forbearance when errors in monthly statements occurred. The competition of industry and of government, both paying high wartime wages, was keenly felt. And the great need of the hour was for methods of training that would develop a "green" worker into an efficient bank employee as quickly as possible.

"Quickie" Courses

In this situation the Institute adopted two plans. One was the preparation of short courses, popularly called "quickies," designed for the specific purpose of giving the inexperienced bank employee the rudiments of banking in the briefest possible time. The first course of this kind, An Introduction to the Study of Banking, was made available in 1942. This course of eight to twelve lessons, giving a birdseye view of banking, was seized upon by chapters and by banks all over the country. Many ingenious uses were made of it. For example, a group of banks in one city hired a local auditorium for use as a classroom for new and inexperienced employees and invited the friends and parents of these students to attend the classes so that they might understand the difficulties under which the banks were operating. In many cases, bank officers with special knowledge or training were drafted as a corps of teachers for the course, each to teach only

on the topic in which he was expert. Many thousands of new employees received their first knowledge of banking from taking this brief course.

An Introduction to the Study of Banking was followed by The Teller's Handbook, Bank Bookkeeping and Accounting, The Bank Bookkeeper's Handbook, and An Introduction to the Study of Trusts. All were short courses designed to do a quick job of training inexperienced help in the intricacies of various phases of banking.

As enrolments declined in the regular certificate courses, those in the "quickies" increased. In a number of chapters, especially the smaller chapters, the one thing that kept educational activity alive was the offering of these short courses. In several instances An Introduction to the Study of Banking was combined with Fundamentals of Banking, the two subjects being taught as a continuous course. In many cases An Introduction to the Study of Banking was merely the first step into a full educational program.

Bank Supervisory Series

The second plan adopted to help the banks meet their difficult manpower situation was the introduction of training methods. These were actually an adaptation to banking of the methods developed by the War Manpower Commission for use in industry, known as T.W.I., or Training Within Industry. The training program was broken down into three parts: job instructor training, job relations, and job methods.

Job instructor training aimed at "training a man to do a job." Some individual banks and a few chapters introduced the course of their own volition. Then the Institute adopted it nationally. With initial help from a staff member of the American Bankers Association, followed later by the work of a full-time staff member of the Institute, it was offered anywhere throughout the

country. Several hundred instructors were trained in these job instructor "institutes," and they carried the training techniques back to the chapters and to the individual banks, with the result that many thousands of new employees were rapidly taught either to train others or to do their own jobs.

Under the T.W.I. program job relations had been designated as teaching "the skill of leadership." This course was adapted to the training of supervisors in job relations techniques, showing them how to handle the personnel under their immediate supervision. Institutes similar to those held under the job instructor training program were conducted at many focal points throughout the country, with similar results.

Job methods, a course outlining the method of making a proper job breakdown and a technique for testing the component parts, was used in a few areas. It was never actively promoted by the Institute.

Special Services for Selectees

Many bank employees, while awaiting call by their draft boards, enrolled in courses of study offered by their local chapters only to discover that they received their call before they had completed the courses. Injustice to these people would have resulted if they had not been given some consideration looking toward credit for the work they had done. Hence, by action of the Executive Council in 1941, the Institute adopted the policy of authorizing early examinations for selectees who had completed 50 per cent of their courses and had maintained the required attendance. Credit for a course was granted if the examination was successfully passed. In most instances the examination was written before the student left his home town. Some examinations, however, were taken after the men had actually reached their training camps. This practice was in keeping with that of many other educational institutions.

Transcripts for Selectees

After they had been inducted into the army, the navy, or the air forces, many former bank employees discovered that there were opportunities either for further education within the services or for advancement from the ranks of enlisted men provided they could establish the fact, by proofs satisfactory to the services, of their educational qualifications for the places they sought. Usually the armed forces required that the proofs submitted had to be from colleges or universities of recognized standing. But there were many instances in which an applicant for officer's candidate school asked the national office for a certified transcript of the courses taken and the grades attained in Institute courses. In most cases, though not in all, these transcripts were accepted by the various services, and full credit on educational requirements was given the applicant for Institute courses completed. Hence many former bank employees were enabled to qualify for promotion into non-commissioned ranks, for admission into officer's candidate schools conducted by the armed services, and even for immediate promotion to officer rank.

Correspondence Courses for Service Men

There were many men who found that time hung heavily on their hands while in military service. Many also found that, though the physical exertion incident to their training was quite arduous, the mental exertion was not great. In order to keep their minds active and at the same time to continue their Institute work without needless interruption, they enrolled for correspondence courses offered by the Institute. Moreover, a considerable number of banks throughout the country voluntarily defrayed the full cost of such courses for former employees who wished to study while on active service.

The national office sent text materials, correspondence exercises, and examination questions to these students in almost every theater of war, including such places as Alaska, Iceland,

Greenland, Ireland, England, France, Germany, Italy, China, India, and Burma, as well as to men on duty with the United States Navy throughout the seven seas. One correspondence student on overseas duty completed his last required course for the standard certificate while in New Zealand.

There were also a number of correspondence students whose military duty was performed wholly within continental United States. One such student acquired his standard and graduate certificates while on service at a prisoner of war camp in Kansas.

Safety Precautions

In the national office in New York are kept the full educational records of all students who have completed courses for credit toward Institute certificates. Since there was some fear that New York City might be the target of bombing raids, it was deemed advisable to have these educational record cards, totaling about 140,000, photographed by the Recordak process and to deposit the films in a safe deposit vault in Chicago. Duplicate records of the minutes of Executive Council meetings and of other important documents also were made and were sent to the basement vaults of the Federal Reserve Bank of Minneapolis for the duration of the war.

Effect of War at the National Level

The war had its serious effect on the Institute at the national level as well as at the local level. "In recognition of the burdens placed on the banks of the country by the war program," President George T. Newell announced, "the Executive Council approved the shortening of the New Orleans convention in 1942 to three and a half days." By this means the delegates were able to derive the usual benefits from the annual meeting with the shortest possible absence from their desks. There was "no sacrifice of the departmental and Institute conferences or of the business sessions" at this convention, although the entertainment program was somewhat curtailed.

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In anticipation of the possibility that the annual convention might have to be discontinued for the duration of the war and to provide for the filling of any vacancies in national offices that might occur during the national emergency, the delegates attending the convention at New Orleans adopted the following resolutions on June 11, 1942:

RESOLVED, That from and after the adjournment of this convention, and until the next annual convention, authority is hereby vested in the Executive Council to determine when and where the next annual convention shall be held (or to omit the holding of an annual convention in 1943 or any subsequent year if, in its judgment, the holding of such convention would be incompatible with the nation's war effort) and to make all arrangements therefor.

RESOLVED, That if the Executive Council determines that the war effort and the national emergency resulting therefrom require the omission of the annual convention in 1943 or any subsequent year, pursuant to the authority vested in it by the foregoing resolution, the terms of the offices of president, vice president, and members of the Executive Council be, and they hereby are, extended to the date on which the next succeeding annual convention is actually held and the successors to these offices are elected and qualified; and that in the interim between the actual holding of annual conventions during the national emergency, authority is hereby vested in the Executive Council to fill vacancies in these offices, occurring by reason of resignation or otherwise, for the unexpired terms as hereby extended.

In the interest of effecting economies wherever possible, the Executive Council, at its midwinter meeting in January 1943, decided to modify the national committee structure to provide for five committees instead of nine. The five committees appointed for the three war years beginning with 1943-1944 were forum and seminar, membership and publicity, public relations, public speaking and debate, and women's.

The public relations committee subordinated its usual program to the more important tasks of promoting the sale of war

bonds and of sponsoring a nationwide blood donor campaign to assist the Red Cross. By the end of the Institute year 1943-1944 the committee had stimulated more than forty chapters in the principal cities having blood bank facilities to launch blood donor campaigns, and this work was continued during the next year in an effort to reach more chapters on behalf of the Red Cross. The other national committees cooperated with the public relations committee in carrying on this work.

The national activity that perhaps was most seriously affected was the annual convention. At the midwinter meeting in January 1943 the Executive Council decided to substitute restricted wartime conferences for the customary conventions during the war period. Thus, the Chicago meeting in 1943 was restricted to one and a half days, with limited attendance; St. Louis in 1944 to two full days, also with limited attendance; and Cleveland in 1945 to one day, with attendance limited to national officers, executive councilmen, national committee chairmen, candidates for national office, and contestants in the national public speaking contest.

Of all the convention features, only the national public speaking contest and the annual election were carried on intact throughout the war years.

The national convention debate was discontinued for four years, 1943 through 1946, to be resumed in 1947.

From the group of Institute conferences, only the educational and the chapter administration conferences were held at the 1943 and 1944 annual meetings; no Institute conferences were held at Cleveland in 1945. The departmental conferences were omitted from 1943 through 1945, but were reinstated in 1946 on a limited scale.

Beginning with 1943, the publicity exhibit was canceled for

the duration of the war and was not reinstated until the Buffalo convention in 1948.

Revision of Institute By-Laws

Events growing out of America's entrance into World War II caused Institute leaders to realize that the by-laws were not adequate to cope with wartime situations for the reason that they did not provide for a method of conducting Institute business in the event of a national emergency requiring cancelation of the annual convention. The resolutions adopted at the New Orleans convention, giving the Executive Council authority to act in such an emergency, were only a temporary expedient. Therefore, on June 11, 1942, President David E. Simms appointed a committee, consisting of C. Edgar Johnson, chairman, David T. Scott, and George J. Greenwood Jr., to prepare a complete revision of the by-laws.

After several months of painstaking study, the committee submitted a new set of by-laws to the Executive Council at its midwinter meeting in January 1943. Further changes were made as a result of council discussion, and the by-laws were finally approved by a mail vote in March. The remaining steps required before the new governing rules could be presented to the convention for adoption were then taken. With one minor change, the by-laws were adopted by the delegates at Chicago in June 1943. The principal changes related to provision for the annual election and for the annual meeting of the Executive Council in the event that the holding of the annual convention was deemed inadvisable because of the existence of a state of war or other emergency, definition of the various classes of Institute membership, and the establishment of annual dues, to include subscription to the Bulletin. The revised by-laws appear in Appendix VI.

In announcing the decision of the Executive Council to hold

Chicago Wartime Conference

a one and a half day meeting at Chicago on June 9 and 10, 1943, in lieu of the annual convention, President Simms quoted the following statement approved by the Executive Council at its midwinter meeting on January 19, 1943:

> This meeting will be held for the purpose of reviewing the Institute's training program and the manpower problem which confronts our banking system during the wartime period.
>
> For over forty-two years the training of bank personnel has been the fundamental purpose of the American Institute of Banking, and this work is now more essential than ever. At the wartime conference, therefore, plans will be discussed to overcome the serious difficulties caused by the loss of trained personnel and to assist the banks in broadening the scope of their contribution to the war effort.
>
> Attendance at this conference is being restricted in accordance with the request of the Office of Defense Transportation and in full realization of the burdens being placed upon the transportation facilities of the nation.

Each chapter and study group was requested to limit its representation to a single delegate having full authority to cast the number of votes to which it was entitled. As a result, there were 315 delegates representing 120 chapters and study groups, exclusive of Chicago Chapter.

The educational conference, the national public speaking contest, and the annual election procedure occupied the afternoon and evening of June 9. The formal business session was held in the morning and the chapter administration conference in the afternoon of June 10.

Two events of special interest took place at the Chicago wartime conference. For the first time in Institute history an all-woman panel appeared on the educational conference program, taking as the subject for discussion Training Women in Banks. At the close of both the educational conference and the chapter administration conference there was an open forum, the purpose

of which was to give chapter leaders an opportunity to discuss individual problems of an educational or an administrative character, as the case may have been, with the national officers and executive councilmen.

St. Louis Wartime Conference

The program at the 1944 wartime conference, held during the presidency of David L. Colby, was fitted into two full days and in general followed the pattern set by the Chicago conference. The program was built around five objectives:

1. To review the educational problems confronting chapter leaders, so that an educational program designed to help the banks "in the training of new and upgraded employees" might be effected.

2. To review the administrative problems confronting chapter leaders, so that the most effective methods of presenting and publicizing such an educational program might be achieved.

3. To review the progress of the job instructor training program and to devise means of further implementing its use in chapters and banks.

4. To review the broad overall training needs of the banks for the next several years and to plan for an adequate educational program to cover them.

5. To elect Institute officers for the ensuing year and to transact other official business of the Institute.

As in 1943, attendance at the conference was restricted. Chapters and study groups with a membership of 100 or less were limited to two delegates; chapters with a membership of more than 100 were permitted to send two delegates plus one delegate for each additional 100 of the membership or fraction thereof, with the restriction that no chapter could send more than ten delegates. Even with these limitations, the total registration was 510, representing 116 chapters and study groups.

Cleveland Wartime Meeting

When the annual meeting was due to be held in 1945, for the first time in Institute history the attendance was limited to the official family, national committee chairmen, candidates, and public speaking contestants. Only forty-nine people attended that meeting; yet all the essential business of the Institute in wartime was transacted.

While the Executive Council was in session on Monday morning, June 4, the outgoing and the incoming national committee chairmen who were in attendance at the wartime meeting held a conference. In order that the councilmen might have the benefit of their discussions, the national committee chairmen were invited to attend the afternoon session of the council. One of the chairmen, acting as spokesman for the group, summarized the results of the conference. A round table discussion, with the committee chairmen and the councilmen participating, then followed. The national public speaking contest in the evening was a fitting climax to a full day.

On Tuesday morning, June 5, the council assembled in special session for the purpose of conducting the annual election in accordance with the emergency provision of the revised by-laws adopted at the Chicago wartime conference in 1943. After the names of the various candidates for national office had been presented, these names were placed in nomination. Each candidate spoke briefly before the council and was subjected to questioning. By a secret ballot, the Executive Council then elected a president, a vice president, and four members of the council. At a continuation of the special session called that evening, a resolution authorizing President William C. Way, on behalf of the council, to install the newly elected officers and councilmen was introduced and passed.

In accordance with the usual custom the last member of the

group installed was the new president, David T. Scott of Boston Chapter. Mr. Scott's first official act was the presentation of war savings bonds to Mr. Way as an expression of the Institute's appreciation of his untiring energy and devotion to the cause of banking education during his year as president.

The meeting closed with an impressive ceremony. With all lights dimmed except for a spotlight on a waving flag, Dr. William A. Irwin, national educational director, read the following pledge to the flag which he had written in 1943:

> The flag of the United States of America is the flag of free men. For over one hundred sixty years it has flown in the breeze as an emblem of liberty, proclaiming to all the world that under it there is firmly established a government of the people, by the people, and for the people. Government here is men's servant, NOT their master. Under it men have been allowed to develop their inherent capacities and to rise to such heights of achievement as these capacities warranted. And under it, free men—whether born in this land or admitted to the privileges of citizenship—have enjoyed the blessings of democracy in a measure not paralleled anywhere else on earth.
>
> That flag, in itself, is just another rectangle composed of red and white stripes, a blue field, and white stars. But the things which it represents are the deep things of the hearts and spirits of men. For these deep things men have lived dangerously—for them they have been willing to give their lives, their fortunes, and their sacred honor. For these same things men are dying today on the far-flung battlefields of a worldwide war.
>
> Let us here and now renew in our hearts our pledge of allegiance to that flag, in the firm belief that we of the Institute, and all others who live under it, will continue to see it wave
>
> "O'er the land of the Free and the home of the Brave."

In the few years immediately preceding America's entrance into the war, the national organization had begun to place emphasis on the use of the seminar as a supplement to the educational program. Thus when the war came, the seminar was

Wartime Seminars

already a well established technique. As the difficulty of organizing and conducting regular classes increased, some chapters turned to the offering of seminar programs under the leadership of their forum and seminar committees.

The topics covered in these seminars naturally were those that had the greatest bearing on wartime bank operations and problems. New lending practices and policies, suitable to an economy geared to all-out war production, were properly adopted by the banks. V loans, T loans, and other unprecedented and unusual banking devices were introduced. Bank officers and administrative personnel had to be taught the handling of these types of financing quickly. Here again was an opportunity for the Institute to be of wartime service to the banks. Thus in many places in which it was impossible to conduct a class, it was found feasible to conduct wartime seminars. Some chapters offered complete and practical programs extending to ten or twelve meetings for which series tickets were sold.

The study groups became interested in this venture. In one group in the Connecticut Valley a seminar program of ten meetings was offered, and leaders for the individual meetings were obtained from the larger cities. Bankers from a wide surrounding area were invited to buy tickets for the series. That study group later became a chapter partly, if not entirely, as a result of the interest of senior bankers developed through the wartime seminar programs.

In certain instances prominent business men and government officials as well as busy senior bankers gave of their time, energy, and knowledge to aid the chapters and study groups in this wartime effort. There were also many instances in which the only chapter educational activity maintained throughout the war was the seminar. Sometimes as few as three or four such

meetings were held during the Institute year. Yet in this way the chapter was kept alive, its membership was maintained even at a reduced number, and its postwar educational reactivation was assured.

Seminars on Inter-American Affairs

During the war there naturally was considerable interest in the position of Latin America not only with respect to the part the southern republics might play in hostilities but also with regard to their attitude toward the "Colossus of the North." Hence the Department of State and other departments of the Federal Government made many moves to cultivate the friendship of the South American peoples.

One of these moves was the appointment of Nelson D. Rockefeller as coordinator of inter-American affairs. Through his efforts the Institute was offered, at nominal cost, a series of films and appropriate booklets, each dealing with one of the various Latin American republics. The films were made available from many centers throughout the United States that were within easy reach of chapters and study groups. The booklets were available in quantities for free distribution to the audiences before whom the films were shown. As an additional aid, a long list of informed speakers available for meetings was supplied to interested groups.

The national forum and seminar committee, by authority of the Executive Council, accepted the promotion of this program as a part of its wartime job, and in this way many chapters and study groups were enabled to get better acquainted with our neighbors and their countries to the south.

Before the war had run its course, the national administration was conscious of the necessity of having some kind of special postwar educational program ready to meet the needs of veterans who were likely to return to the banks. Colleges and universities

Refresher Seminars

as well as leaders in some lines of business were advocating the setting up of refresher courses of study. The Institute was in step with, or even ahead of, the parade, for as early as the fall of 1944 it had begun work on the manuscript of a book which was issued in 1945 under the title The Career of a Banker. It was written by a semi-retired senior banker, A. R. Horr of the Cleveland Trust Company, and lent itself readily to a good review of many of the essential elements in the Institute's curriculum. Though not a course, it was a birdseye view of bank operations, commercial law, negotiable instruments, credits, and the like, and was written in a simple and attractive style.

The educational advisory committee recommended to the Executive Council that the Institute adopt this book, together with other means, as the basis of a "refresher" for veterans. To complement it, the national office staff and the national forum and seminar committee worked out a suggested seminar program specially designed for use in veterans' seminars. This program reviewed most of the wartime developments in banking. Its objective was to help the veteran to catch up with what had developed in bank operations during his absence.

Through the Bulletin, through releases from the national office, and through personal contacts by national officers, members of the Executive Council, and associate councilmen, efforts were made to bring the program to the attention of chapter administrations and study group chairmen. In consequence, considerable use was made of it, especially in some of the larger chapters, and by this means many returned veterans were enabled to readjust themselves to their bank work much more rapidly than they could have done otherwise.

The record of the Institute during World War II would not be complete without mention of the many wartime services on

Wartime Services on the Home Front

the home front. The most outstanding service, of course, was the participation of Institute chapters in the blood donor campaign and the encouragement given their members to make regular donations to the blood banks that were so important a feature of the war effort.

Many other services on the home front were promoted with vigorous efforts: the sale of war bonds and stamps, civilian defense work, assistance to the U.S.O., the Salvation Army, and other organizations, and participation in war chest campaigns.

Some chapters carried on their rolls as military members, without the payment of dues for the duration of the war, all those who entered the armed forces of the United States.

Los Angeles Chapter gave all service men and women returning to the banks in the chapter area one year's membership without the payment of dues. In April 1946 the chapter reported that 968 veterans had been granted this courtesy and that 280 of them were enrolled in classes. The chapter also extended the membership privilege to 61 service men from the Los Angeles banks who were taking Institute courses by correspondence.

Enrolment and Membership

Educational institutions suffer serious declines of enrolment in wartime. The Institute is no exception to this rule. From 1941-1942, when the United States entered the war, until 1946-1947, when the homeward movement of veterans had gotten into full swing, the enrolment total fell from 44,901 to 23,497. This decline showed most heavily in the graduate courses, but it was also heavy in the pre-standard and the standard courses.

By the latter half of 1944, the attitude of bank employees toward their work and toward banking education obviously had undergone a change, for enrolments in Fundamentals of Banking, Commercial Law, and Negotiable Instruments had taken a decided spurt, giving evidence of the fact that workers had

become apprehensive about postwar employment possibilities. The change also proved that the "quickie" courses had stimulated interest in further banking education. Between 1944 and 1945 enrolments in the various courses increased by 2,620, while Institute membership jumped from 49,140 to 55,354.

The following year, however, there was a drop of 3,125 in enrolments despite the fact that membership increased from 55,354 in 1945 to 61,570 in 1946. Undoubtedly the decline in enrolments was due in large measure to the departure of many wartime employees from the banks.

As the war came to a close, there was another development worthy of notice. The "quickie" courses apparently had served their wartime purpose, for the enrolment in these courses declined markedly.

As demobilization proceeded, many chapters and study groups found themselves faced with numbers of veterans who wished to enroll in classes as soon as they were discharged from the forces and reemployed by banks. Often the classes had been under way for some time. Hence the Executive Council, alive as before to the needs of the veterans, authorized their late registration in classes and the granting of credit for the courses provided the late registration was approved by the instructor and the final examination was successfully passed.

Beginning with the fall of 1947, both enrolments in classes and membership moved rapidly forward. But that is not a part of this wartime story.

XXXI

The Institute in Its Fifth Decade

DESPITE the declines in membership and in enrolments during the war and despite other war-induced handicaps, the Institute made substantial permanent gains from both educational and administrative points of view. In the matter of text production especially, it was perhaps more fortunate than many other educational institutions because it was not forced to alter its plans for lack of paper.

In the early 1940's the Executive Council, recognizing the fact that good text materials are essential to the maintenance of a good educational program, authorized the educational director to undertake a comprehensive revision of all Institute texts.

A completely revised edition of Bank Organization and Operation was issued in 1943 under the title Fundamentals of Banking, with the subtitle How a Bank Works, as a psychological appeal to the many thousands of inexperienced employees who entered banking during the war. Changes were made with practically every reprinting of the text to keep the material current; the 1947 reprinting in particular contained rather extensive adjustments.

In 1941 the committee on trust education of the Trust Division of the American Bankers Association began work on a complete revision of the Trust Business texts. Through the efforts of this committee and with the help of many other men of skill and experience in trust work, the revised edition of Trusts I was issued in 1944 and the new Trusts II book came off the press in 1946.

Consumer Credit was published in final bound book form in

Text Revision and New Texts

1945, becoming available just as the banks began to expand their operations in this field. Home Mortgage Lending was added to the list of revised books in the fall of 1946.

As was indicated in an earlier chapter, the text for Accounting was first published in a single volume, with practice problems in a separately bound pamphlet. Experience soon proved, however, that an acceptable job of teaching the principles of accounting could not be done in the time allotted; hence the single volume was used as the basis for two 42-hour courses, Accounting I and Accounting II, beginning in the fall of 1941. The book was completely revised and published in two volumes in 1946 and 1947, with practice problems for the use of students included in each book.

The 1937 edition of Economics I was substantially revised in 1947 as Economics, to cover significant developments during the war and the immediate postwar period. Business Administration, representing a revision of Economics II, also was made available to classes in the fall of 1947. This text, as with the first edition, was the combined work of a group of experts in various fields of business administration.

Commercial Law and Negotiable Instruments were subjected to slight revision in 1947. A feature of the 1947 edition of each text was the inclusion of the case questions which formerly had been published in a separately bound pamphlet.

Two other Institute texts were thoroughly revised during the fifth decade, Analyzing Financial Statements in 1948 and Credit Administration in 1949. In addition, a new text was prepared for Corporation Finance in 1948 and a new Money and Banking book was issued in 1949.

In 1948, for the first time in its history, the Institute produced its own text for the popular course in public speaking,

under the title Effective Speaking. At the same time the name of the course was changed to agree with the title of the book.

For many years it was believed that the expense of producing an Institute text intended exclusively for savings bankers was not justified in view of the limitations of the market. But that conviction finally gave way to a desire to appeal to savings bank workers for closer participation in Institute activities. Hence the text for a course in savings banking was produced in 1946, and the course was added to the curriculum for the pre-standard certificate with the provision that, although available to all Institute members, it could be offered as a substitute requirement for Fundamentals of Banking *only by employees of savings banks.*

Two books, Bank Administration and Investments, remained to be completed, and work on both books was well under way as the fifth decade came to an end.

By the close of 1949, therefore, the Institute had on hand or in course of preparation a set of text materials that was of recognized quality and up-to-date. One result of this achievement was a continued and an increasing number of requests from other educational institutions for permission to use Institute texts—requests that could not be granted if the American Institute of Banking was to retain its tax exempt status and its unique position in the world of adult education.

It has been intimated elsewhere in this record that the teaching staff of an educational institution is its most important element. Given good instructors, a good teaching job follows almost automatically. But even the best teachers are handicapped if they are not furnished with teaching tools of high quality, and among these tools none are more important than the text materials.

Problems of Text Production

Very early in its history, therefore, the Institute had to face certain problems with respect to texts. Should it rely on those that were available in the commercial market? Would it encounter embarrassment if it adopted the text of one author or of one publisher in preference to another? What would be involved if the Institute should attempt to produce its own texts?

These problems were complicated by the fact that the need was for specialized texts for special groups of students and not for a general market. The three main problems regarding the production of Institute textbooks were those pertaining to authorship, editorship, and printing.

Authorship has been the most serious problem the Institute has had to face in the preparation of its text materials. Experts on banking subjects know the type of student to be approached but are not professional writers; professional writers know all the tricks of appealing to the popular fancy but lack the expert knowledge of both subject matter and banking student that is required if A.I.B. texts are to have real value. Thus, almost at the outset of their venture into the field of adult education, the leaders of the Institute decided that they would aim at the production of text materials suitable for the peculiar type of educational work the Institute had to do and that they would place reliance mainly on non-professional writers.

Over the years the Institute has developed three distinct methods of approach to the authorship phase of its textbook problems. For certain courses, such as law subjects, economics, and accounting, the preparation of the text material is placed in the hands of a man who is an authority in his particular field.

Another method is that of joint authorship. A glance at the preface of Business Administration, for example, will disclose that the seven sections were prepared by seven different authors.

When this method is used, it is generally necessary to have an experienced textbook writer review the entire manuscript so that any inconsistencies and duplications of subject matter may be adjusted before printing.

The third method may be called the critic committee method. In this case the text material is usually prepared by a single author and is then submitted to a committee of experts for careful and painstaking review. In the light of the committee's suggestions and criticisms, the author rewrites the necessary portions of the manuscript. The critic committee method is perhaps the most satisfactory in the long run, but it requires considerably more time than either of the other methods. Fundamentals of Banking, Credit Administration, and Trust Business are products of this method.

When an Institute text needs complete revision or when a text for a new course must be prepared, the national educational director has the responsibility, first, of determining which of the three authorship methods shall be used and, second, of selecting the author, or authors, best qualified to do the job. It is his duty, also, to set the time schedule, to make the necessary financial arrangements, and to see that the details of the contract with the author are in satisfactory form. If the critic committee method is employed, he consults with the author about the selection of the committee members.

During the first two decades of the Institute's activity the task of editing its own text materials seems to have been merely incidental. But as the educational work expanded and as the formulation of an all-round curriculum for banker education progressed, it became evident that the services of an editor were essential if the quality of the Institute's texts were to match its curriculum.

For the job of editor the Institute chose a woman, Marion Turner, whose achievements at Mount Holyoke College won her the bachelor of arts degree as well as high scholastic recognition. She later attended Simmons College in Boston, specializing in secretarial science, and there received the degree of bachelor of science. To these accomplishments she added several years of valuable practical experience in public and in private business service and considerable experience in writing and editing material.

As she saw her editorial task, it required much more than the mere ability to put unprofessional writing into good readable English; it called also for a comprehensive knowledge of the subject matter of the manuscripts and a first-hand acquaintance with the "market" in which the texts were to be used. Hence she enrolled in the three-year (evening) standard course at New York Chapter of the Institute, received her standard certificate there, and even though lacking in practical banking experience, carried off high honors. In addition, she won first prize in a chapter public speaking contest and was chosen to represent her district in the first national public speaking contest, held at the Detroit convention in 1927.

Throughout a period of more than twenty-five years Miss Turner has been editor of the Institute texts, has edited articles, releases, proceedings, and miscellaneous material, and has also prepared a manual on editorial work. In all her text editing she has never lost the viewpoint of the A.I.B. student, gained by personal experience at the very outset of her Institute career.

Naturally, many a printing problem has had to be faced and solved in the process of developing a set of text materials now consisting of about twenty volumes. Manuscripts complete in every detail, including copy for all illustrations, the preface, the

title and copyright pages—in fact, everything except the contents page and the index copy—must be submitted to the printer at one time. Costs have to be watched, production schedules met, and delivery dates determined. Galley proofs must be read and corrected; authors' approvals of changes must be obtained; useful indexes must be prepared. All these details, as well as many others, have involved careful study and analysis so that the Institute not only may have good books but may have them when needed and at prices that compare favorably with those charged by commercial publishers.

The result of this venture with text production is that Institute men and women have available to them materials of high quality, frequently revised and therefore as current as possible, written by authors who have a thorough knowledge of the banking techniques about which they write—in short, a "shelf of books" representing the means to an education in banking.

Changes in Graduate Certificate Requirements

With the twofold objective of enabling ambitious and capable students to fit themselves for work in specific phases of banking and of giving junior bankers a foundation for study at The Graduate School of Banking, the Institute, beginning August 1, 1945, grouped its graduate courses under three major heads: Commercial Banking, Trusts, and Investments. Three courses were required in each group of majors, and the student was permitted to elect one of two recommended courses, thus completing 168 hours of work in the field of his specialty and acquiring the graduate certificate indorsed Major in Commercial Banking, Major in Trusts, or Major in Investments.

A slight modification was made in 1949. The three required courses remained the same as in 1945, but the student was permitted to elect any one of the remaining graduate courses to complete a total of 168 hours of work in the major of his choice.

Changes in Graduate Courses

In addition to the changes in the early 1940's noted in a previous chapter, Business Cycles was discontinued as a graduate subject in 1945. Beginning August 1, 1949, Effective Speaking was shifted from the group of special courses to the graduate group and thus became an elective subject for the graduate certificate.

Application of Ten-Year Rule

Application of the council ruling that "no certificate of the Institute will be granted on the basis of requirements which date back more than ten years" meant that, on August 1, 1947, the various requirements for the pre-standard and the standard certificates in effect prior to that date were superseded by later requirements. The pre-standard and the standard certificate requirements from the fall of 1937 to the time this story is written were as follows:

PRE-STANDARD COURSES	STANDARD COURSES
August 1, 1937 to July 31, 1941	
Bank Organization and Operation (Fundamentals of Banking)	Economics II (Business Administration)
Commercial Law	Money and Banking
Negotiable Instruments	Accounting (56 hours)
Economics I (Economics)	Analyzing Financial Statements
Effective August 1, 1941	
Bank Organization and Operation (Fundamentals of Banking)	Economics II (Business Administration)
Commercial Law	Money and Banking
Negotiable Instruments	Accounting I
Economics I (Economics)	Accounting II

From 1931 until 1943 no student was excused from taking Bank Organization and Operation, and this ruling of the Executive Council was continued in force when the course title was changed to Fundamentals of Banking in 1943. The fact that

Credit for Banking Experience

there was some unfavorable reaction to the ruling has already been pointed out. Finally, in 1946, after an extended and careful study of the matter, the council ruled that in the case of an experienced bank employee, but only under strict conditions, the final examination in Fundamentals of Banking might be taken under proper supervision without prior classroom attendance, in order to establish the applicant's right to credit.

Equivalent Credit for Graduate Courses

By resolution of the Executive Council, the national educational director was given authority to grant equivalent credit toward the graduate certificate on the same basis as toward the standard certificate, effective August 1, 1949. Thus a student who completes under Institute auspices at least 50 per cent of the 168 hours of work required for the graduate certificate may now apply for equivalent credit in the remaining courses on the basis of work done in a recognized college or university.

Development of Study Groups

In 1939, when the Institute took over the work of Correspondence Chapter, Inc., it abolished the name group study class and substituted the name study group, authorizing a form of organization similar to that of a chapter, including officers, committees, and other characteristics of a chapter set-up. Each group was to be a self-governing body, and all its activities were to be carried on by local administrators. Study groups were, in effect, to be small sized chapters designed to serve the educational interests of bank people along Institute lines in the less populous centers of the country.

Study groups were expected to accomplish three ends: to lower the cost of courses for students who were not members of chapters and who might feel that the cost of correspondence study was too high, to provide representation at the annual convention for a portion of the membership not previously represented, and to effect continuity of educational work, as

well as to attain other objectives that might seem desirable. The first aim was easily accomplished. The second was achieved by an amendment to the Institute by-laws. But in a number of cases the continuity desired has not been effected.

Experience soon demonstrated that the chapter form of organization was too complicated for study groups. There was difficulty in finding the personnel needed for operation in the localities served; consequently, mortality among the groups was high. In 1942, therefore, the Executive Council, deeming it unwise to have the country studded with lapsed Institute units, abandoned the formal type of organization for study groups. In its stead the council authorized an informal type of study group which would require no organization other than the appointment of a chairman, whose function it would be to act as leader for the group and to carry on all necessary correspondence with the national office not within the province of the instructor.

Commenting on the change, in his annual address at the New Orleans convention in 1942, President George T. Newell said: "The wisdom of this action is readily apparent because of the necessary rationing system established by our government. It is now possible for any bank with two or more employees to receive the benefit of Institute courses without having those employees travel to a designated point."

The record of study groups has been a varied one. Some have been eminently successful, some moderately so, and others have gone out of existence within a short time. Some have offered only a single course of study, while at the other extreme some study groups have carried on a program of educational and supplementary activities that has compared favorably with the program of a small chapter. Apparently the quality of the leadership has been a determining factor in the success or failure of a group.

Since 1939, when study groups were first organized under the changed set-up, the number has varied from 107 in 1939-1940 to a low of 34 in 1943-1944, to 143 in 1946-1947, and to 167 in 1947-1948. In 1939-1940 the 107 study groups conducted 113 classes having a total of 2,219 students. By 1943-1944, undoubtedly as a result of wartime conditions, the number of classes had dropped to 30, with a total enrolment of only 296 (four of the 34 study groups in that year reported membership alone). But by 1946-1947, with the general revival of interest in educational work after the war, the number of classes had risen to 173, with a total enrolment of 2,608, or an average of 15 students per class. Obviously, the study groups have justified themselves as a form of educational organization within the Institute. Their record reflects credit on the men and women who have shouldered the task of local leadership as well as on the executive councilmen and the associate councilmen who have been largely responsible for their establishment.

A particularly interesting feature of study group development has been the participation of senior bankers in the courses offered. As evidence of their belief that the educational program of the Institute is of value to officers and employees alike, the officers and directors of three Jackson County, West Virginia banks joined with their employees to form Jackson County Study Group in 1945. The senior banker group included a director, a president, an executive vice president, three cashiers, and four assistant cashiers. The total enrolment in the course was twenty-two.

The correspondence study program became available to veterans under Public Laws 16 and 346 in 1946 when the Institute negotiated its first contract with the Veterans Administration in Washington. On the expiration of this contract in 1949 a new

Correspondence Instruction

contract was negotiated, to remain in effect for another three-year period. Many veterans have taken advantage of the opportunity afforded by the G. I. Bill to complete their certificate requirements.

Further impetus was given to the correspondence program in 1946 when the Federal Deposit Insurance Corporation decided to underwrite the cost of having its examiners and assistant examiners enroll in the Institute's correspondence courses, since these men were unable to participate in chapter or study group classes because of the extensive traveling required by their duties. The majority of the enrolled F.D.I.C. men have been college graduates; hence they have found it possible to obtain credit for many of the Institute courses on the basis of equivalent college or university work.

In June 1949 the United States Treasury Department inaugurated a similar program for its national bank examiners and enrolled more than 500 of them in either Trusts I or Analyzing Financial Statements. In November of that year the Federal Reserve Bank of New York began to enroll its examiners in one or the other of these two courses.

In addition to revisions made from time to time in the study material for the use of correspondence students, the program was greatly strengthened when, in February 1948, the requirement that a student's final examination be taken under supervision was made a part of the correspondence procedure.

Conference of Correspondence Examiners

Another innovation in Institute correspondence work was the conference of examiners inaugurated in December 1947 in New York City. Three conferences have been held to the time this story is written. At these conferences questions have been raised and many suggestions have been offered on such matters as the correcting of students' serial lesson papers, whether grades on

these papers are necessary, the preparation of model answers, the weighting of final examination questions, the desirability of experimenting with new types of practical exercises, the instructor's need of background material on the student, and the possible use of current pamphlets, bulletins, and other collateral material bearing on the course.

The quality of correspondence work has been materially improved since the first conference in 1947, for there has been an increased interest on the part of each examiner as he has become more familiar with the problems of other examiners and as he has given assistance to the national office through appraisal of the text, the practical exercises, and the method of grading papers.

National Convention Debate

At a meeting held on January 26, 1940, the Executive Council authorized the awarding of debate keys. Beginning with the Boston convention in 1940 and continuing through the Buffalo convention in 1948, except for the years 1943-1946, keys were awarded as follows: gold keys to the members of the winning team; silver keys to the members of the losing team; bronze keys to the members of the losing teams in the semifinal debates. The awarding of bronze keys was discontinued, effective with the 1949 national convention debate.

The first year of postwar debating on a national scale culminated in the debate between New York and Chicago chapters at the Detroit convention in 1947.

Interest in debating was greatly stimulated by the establishment of the Jesse H. Jones national convention debate fund. In 1948 Mr. Jones, chairman of the board, National Bank of Commerce, Houston, Texas, arranged for the Jones Foundation to make available to the American Institute of Banking the sum of $2,500 annually for a period of ten years, subject to certain

restrictions, in order to encourage increased activity by chapters in the Institute debate program. This fund is to be used for the award of cash prizes to the teams participating in the final debate and for defraying, as far as possible, the traveling expenses of the members of each team who actually participate in this debate.

A new era in Institute debating opened on the evening of May 31, 1949, when the first awards of the Jesse H. Jones national convention debate fund were presented at the Portland convention. The cash prize of $600 for the team winning the convention debate went to Los Angeles Chapter, which upheld the negative side of the question Resolved, That federal control of instalment financing should be removed. Detroit Chapter, which had the affirmative side, received $300. In addition to the $600 award, Los Angeles Chapter won temporary possession of the debate cup and received the debate championship pennant for the year 1948-1949.

The rules regarding the contest awards provide that, in addition to the cash prizes of $600 and $300 to the debate teams, each speaker on both teams in the national convention debate (limited to two persons for each team) is to receive $100 for personal expenses plus round trip railway and pullman fares to the convention city provided there is sufficient balance in the fund after payment of the cash prizes, personal expense allowances, and administrative costs. If the amount remaining in the fund is not sufficient to defray full railroad and pullman fares for each of the four speakers, then each speaker is to receive his proportionate share of the balance available for distribution.

Unlike the national convention debate, the national public speaking contest had an unbroken record during the war period.

In 1943 the final contest resulted in a three-way unbreakable tie for first place, which necessitated consultation by the judges

National Public Speaking Contest

to determine the order in which the tie should be broken. This was the only time in the history of the contest that the judges consulted until 1946.

It is of interest to note that one of the participants in the 1943 contest was a correspondence student, G. B. Spence from Mebane, North Carolina, and that he won the third prize of $200.

The national public speaking contest held at the Cincinnati convention in 1946 marked the twentieth anniversary of this event. Immediately following the completion of the contestants' speeches, Stephen O. Porter, chairman of the national public speaking and debate committee, asked President David T. Scott to take the chair. Mr. Scott expressed the thanks of the Institute for the splendid contribution to banking and to the A.I.B. which Mr. Giannini's generosity had made possible. He then called upon P. R. Williams, who had been vice president of the Institute when the contest was inaugurated in 1927, to tell the audience something about the historical background of the contest. Mr. Williams briefly explained the origin of the A. P. Giannini educational endowment and its increase to $50,000 in 1928. Following Mr. Williams' remarks, President Scott introduced Mr. Giannini, who had flown to Cincinnati from San Francisco for the occasion. Mr. Giannini presented the checks to the winners of the anniversary contest.

The twentieth anniversary was marked by two innovations in the contest procedure. Prior to 1946 the judges at each contest were required to cast their ballots without consultation except in the case of an unbreakable tie. The rules were changed in 1946 to permit the judges to retire for consultation before casting their final ballots. In addition to this change, one of the judges, selected to act as a critic judge, met with each contestant

the morning following the contest for private consultation and criticism.

For the first time the names of the contestants were not printed in the convention program for 1949 and were not announced until the conclusion of the final contest. In 1949, also, the basis for judging was changed from composition and delivery to content and delivery.

The Passing of A.P. Giannini

On Friday morning, June 3, 1949, the delegates attending the Portland convention received the sad news of the death of A. P. Giannini. Midway through the closing business session, a minute of silence was observed as a tribute to the banker who had done so much to further the interests of the American Institute of Banking. The following resolution prepared by the committee on resolutions was then read by the chairman, Clarence W. Brown of Sacramento Chapter, and was adopted by the convention.

This morning we were profoundly shocked on learning that A. P. Giannini, Founder-Chairman of the Bank of America National Trust and Savings Association, had passed away during the night, and we wish to record our deep sorrow over the loss of this great friend of the Institute.

Because of Mr. Giannini's interest, the Bank of America has been a consistent supporter of the Institute. During the years this bank's people have taken a very active part in all A.I.B. affairs and have provided much of its leadership. Mr. Giannini was quick to appreciate the value of Institute training, not only for his own bank but for banking as a whole, and his interest was manifested in many ways.

Particularly did Mr. Giannini appreciate the value of effective speaking as a public relations instrument for banks. He will always be remembered by us and by succeeding generations of Institute men and women by virtue of the fact that he made possible the perpetuation of this important activity.

Twenty-two years ago Mr. Giannini, by establishing the endowment which bears his name, gave recognition to the value of effective speak-

ing as a means of interpreting banking to the public. It is a source of gratification to us that one of his own men placed first in the National Public Speaking Contest for the A. P. Giannini Educational Endowment prizes on the opening night of this convention.

At this closing session of the forty-seventh annual convention we pay tribute to this great friend of the Institute, and to record our grief at his passing we hereby resolve that this endowment shall be a lasting monument to his memory.

Debate and Public Speaking Handbooks

Apart from formal debate and organized public speaking courses, there are a number of Institute responsibilities that call for ability in speech techniques. Examples are chapter leadership, chairmanship of and membership on the forum and seminar committee as well as other committees, participation in panels and in group discussions, and the performance of the normal duties of a presiding officer. With these facts in mind and to furnish aids in formal debate and in public speaking, the Institute issued two new books in 1947, one entitled Debate Handbook and the other Speech Activities Handbook.

The Debate Handbook had a double purpose. One was to provide Institute debaters with a compact treatise on debate which they might study with profit to themselves; the other was to encourage chapter debate committees to arrange courses of instruction in debate under competent leadership so that embryo debaters might have constant practice in applying the principles of that specialized speech technique.

The Speech Activities Handbook also had a double purpose. It was prepared especially for the use of forum and seminar committees, public speaking committees, members of public speaking groups, and those engaged in speech activities of any other kind. But it was not a textbook on public speaking or even a basis on which a regular course might be conducted. Its chief purpose was to explain both the methods and the objectives of

such Institute features as forums, seminars, panels, group discussions, public speaking classes, and public speaking clubs and thus to encourage their organization by chapters and study groups.

Its second purpose was to help inform Institute men and women on the duties of a presiding officer and on the fundamentals of parliamentary procedure, two phases of knowledge essential to competent leadership in group or public meetings.

The Speech Activities Handbook, as is stated in its preface, is "a working manual to be used by those who must make arrangements for and preside at local and district public speaking contests and by others who must organize forum and seminar meetings, obtain speakers, and often preside at the meetings."

Regional Chapter Leaders Conferences

When it became necessary to limit attendance at the wartime conferences which were held in lieu of the annual conventions, Institute leaders encouraged the holding of regional chapter officers conferences on a much broader scale than had hitherto been the practice, in order that as much help as possible might be given to chapters and study groups in meeting their wartime problems. In 1944, under the direction of the Executive Council, eleven conferences were scheduled for the months of July and August, and the designation for these group meetings was changed to regional chapter leaders conferences.

The conferences held in 1944 were so successful that the council decided to place special emphasis on this part of the Institute's program in 1945. The decision became all the more important when the annual wartime conference was canceled, for the regional conferences were left as the only places where chapter and study group leaders could meet to discuss their problems.

Fifteen conferences were scheduled for 1945, each to last one

day. They were so arranged geographically that in no case did a chapter or a study group representative have to travel any great distance. To keep within the limitations requested by the Office of Defense Transportation, each conference committee was responsible for seeing that no more than fifty participants from outside the conference city were invited to attend. But because of the value of these conferences, every chapter and study group was urged to have representation to the fullest extent possible within the restrictions necessarily imposed.

By 1946 conditions had improved to the point where the number of conferences could be reduced and wider areas established. Twelve conferences were held that year, and the number was increased to thirteen for each of the three succeeding years.

Regional chapter leaders conferences covering the entire country have been productive of such good results that they are now a permanent feature of Institute activity.

Executive Council

During the fifth decade the Executive Council was called upon to cope with a great many problems arising from the expansion of Institute activities, from fluctuations in membership and enrolment, and from the effect of World War II upon Institute affairs in general. Confronted with unprecedented developments in the early 1940's, the council took three steps designed to enable it to function more effectively: Certain council committees were required to study problems between meetings of the governing body, the number of days devoted to council meetings were increased, and the national officers were required to hold more frequent and lengthy sessions for taking action on matters calling for attention between council meetings.

Because of the increasing amount of work delegated to some council committees, it was necessary for them to transact much of their business by mail in addition to holding long sessions

immediately preceding the council meetings in January and June of each year in order to prepare their recommendations for council action. Therefore, in January 1947 the educational advisory committee was enlarged by the addition of the three members of the nominating committee and the chapter administration committee was increased by the addition of the three members of the transportation committee, thus giving each committee six members. At the same time the name of the chapter administration committee was changed, more appropriately, to administrative advisory committee.

During the war period particularly, many financial problems claimed the attention of the budget committee and it, too, was required to hold more frequent meetings. Its name was changed to finance committee in 1948.

The functions of the transportation and the nominating committees, as such, remained practically unchanged during the fifth decade except that the responsibility of preparing council resolutions was added to the duties of the nominating committee.

By 1942 Institute problems had increased to such an extent that it became necessary to change the pattern of council meetings somewhat, particularly at conventions. Prior to that time it had been customary to hold brief sessions on Monday morning and Friday afternoon of convention week. In June 1942 a full-day meeting was held before the convention officially opened, and this practice has been continued since that time. Furthermore, the council has found it essential to hold more sessions at the midwinter meeting in order to complete the transaction of its business.

The practice of holding officers meetings was started in September 1940. During the war period the elected officers, together with the staff officers, had to meet several times a year,

and such meetings, often lasting two or three days, have now become an established practice.

The responsibilities of the Institute vice president have gradually been broadened to the point where that officer now renders valuable assistance to the president in carrying on his duties, particularly with respect to visiting chapters and attending local, regional, and national meetings of bankers.

National Committees

Relatively few changes in the national committee set-up have been made in the postwar period. As stated in the preceding chapter, the number of national committees was reduced to five in 1943. In 1946 debate and public speaking activities were again placed under separate committees. Membership and publicity activities also were separated. Thus there have been seven national committees since 1946. The provision for twelve committee districts, made during the war, was continued in the postwar period. The districting applies only to the seven national committees, not to the program committee which, strictly speaking, is a convention committee.

The departmental conference committee, which was discontinued after 1942-1943, was not reinstated in the postwar period. Instead, the responsibility of making arrangements for the departmental conferences at the annual convention was assigned to the second immediate past president of the Institute. This innovation became effective in 1946.

During the fifth decade, three important developments have taken place in national committee operations. One has been the establishment of a set of objectives by each committee; these objectives are given wide publicity and tend to focus attention on what the committee is trying to accomplish. The second development has been the publication of bulletins by the chairmen and by many of the committee members for the purpose of con-

veying important information and new ideas to local committee chairmen and inspiring them to do a more thorough job. The third has been the establishment of annual meetings of outgoing and incoming national committee chairmen at the convention in order that records and files may be passed on to the new chairmen, ideas may be exchanged, and recommendations may be agreed upon for submission to the Executive Council. These innovations have been of advantage to the Institute and have resulted in more complete service to the local committees.

Staff Changes

On September 1, 1944 Dr. William A. Irwin was appointed economist of the American Bankers Association, an office for which he was well qualified by background and experience. However, he continued to serve the Institute as national educational director until September 1, 1947, when he relinquished that office to devote his full time and energy to his duties as economist.

Also on September 1, 1944 the Institute's text editor, Marion Turner, was advanced to official rank, with the title assistant to educational director.

Leroy Lewis joined the Institute staff on November 1, 1944 as assistant educational director. A graduate of Oklahoma City University, he took his master's degree at the University of Michigan and did further graduate study at Northwestern University. He served as a member of the faculty of the University of Wichita for five years and was a member of the Duke University faculty for eight years. In addition to his university teaching, he served as speech consultant to the North Carolina Bankers Association and taught classes for several Institute chapters in North Carolina. He was secretary of the North Carolina Bankers Association for a year and a half before joining the Institute staff and served as an associate councilman for one

year. In September 1946 Mr. Lewis was made associate educational director and in September 1947 he became national educational director.

Robert C. Rutherford was appointed assistant to the secretary on November 1, 1944. He was made assistant secretary in September 1945, and in June 1948 his title was changed to associate secretary. Early in his career he was employed by various branches of the Union Bank of Canada, located in Manitoba. Later he became associated with the First National Bank of Minneapolis and served that bank in several capacities for fourteen years. In 1937 he resigned his position with the bank to become executive secretary of Minnneapolis Chapter. He received his Institute standard certificate in 1928, served on the national debate committee both as a member and as chairman, was president of Minneapolis Chapter during 1932-1933, and won fourth place in the national public speaking contest in 1937. He also instructed classes for Minneapolis Chapter in elementary banking, job relations training, and job methods training.

The Bulletin

The general plan for the Bulletin adopted in 1940 was followed throughout the fifth decade with only minor changes in format and content.

Robert D. Hammer, appointed associate editor in October 1942, ceased to act in that capacity in October 1944 when his services with the Institute terminated. Robert C. Rutherford became assistant editor in January 1945, associate editor in October 1947, and editor in April 1948, replacing Floyd W. Larson in that capacity.

An outstanding episode in the life of the Bulletin occurred in 1942, when the National Council of Industrial Editors Associations presented it with a certificate of excellence in "recognition of the superior quality of the publication in the industrial

press field." Certificates of excellence were awarded to the most deserving publications of the 1,100 entries in various classes. Only four magazines in addition to the Bulletin received certificates in the association magazine class.

Revision of Institute By-Laws

By 1947 it had become apparent that the by-laws adopted in June 1943 needed clarification and amendment in certain respects. Consequently, a special committee, consisting of Hartwell F. Taylor, chairman, J. Vincent O'Neill, and David T. Scott, was appointed by President George J. Greenwood Jr. on January 30, 1947 to make a thorough study of the existing by-laws and to prepare a revised set of governing rules. The committee continued its work during the presidential term of Garnett A. Carter. As a result of its efforts, revised by-laws were presented to the convention at Buffalo in June 1948, after the required procedure had been complied with, and were approved. (The by-laws appear in Appendix VI.) The principal changes were as follows:

1. Clarification of the provisions relating to chapter and study group membership
2. Increase in Institute dues from seventy-five cents to one dollar
3. Elimination of a financial institution as treasurer
4. Definition of duties of the national officers.

Convention Features

Aside from the substitution of wartime conferences for the annual conventions during the war years, the convention pattern changed very little in the Institute's fifth decade.

Campaign speeches, which were omitted at the business sessions during the war and immediate postwar years, were reinstated in 1948. Group caucuses, four in number, came back in 1947. In 1946 the resolution governing campaign procedure was amended to provide that the campaign headquarters of

candidates for national offices might be open only during the hours designated by the national officers.

By action of the Executive Council, the convention registration fee was increased three times during the decade because of the increasing cost of holding conventions: to $12.50 in 1947, to $15 in 1948, and to $20 in 1949. The practice of paying the cost of two meals for each delegate was discontinued in 1949.

The publicity exhibit, omitted from 1943 through 1947, was featured again in 1948 and 1949.

During the latter part of the decade the number of conference sessions was greatly reduced by eliminating double sessions for departmental conferences and by consolidating certain Institute conferences. The use of the panel technique at Institute conferences continued to be popular in the postwar period.

No one could have attended the Portland convention in June 1949, mingled with the delegates, listened to the many outstanding addresses at the conferences and the business sessions, and visited the group caucuses without realizing how little the recent war had impaired the resilience of this important phase of the educational program. Perhaps it is not going too far afield to say that the curtailment of convention activities for a period of four years had its salutary effect as well as its temporary setbacks, for it served to emphasize anew in the minds of Institute leaders and members the fact that the convention is indeed the very heartbeat of the organization.

The address of President Pierre N. Hauser at Portland not only was a fitting climax to an eventful year; it was also a stimulating challenge to the Institute's fiftieth anniversary year. After presenting his report and commenting that with the close of the convention this account of his stewardship as president would become history, he continued:

The Challenge of the Future

But before us lies another Institute year; another sunrise of opportunities for Institute work. Although we may fondly survey the past, we must press on to those greater achievements that lie ahead. The records that have been made and the results that have been attained must become the springboards for still greater accomplishments.

We are gradually and perceptibly emerging from a vicious era—an era during which thousands of people placed their services on the auction block and sold themselves to the highest bidder. Dignity of effort and pride in accomplishment were relegated to secondary consideration. But in the period ahead, this fallacy, so foreign to our American way of life, will again give way to the nobler motives of men—dignity of effort, the desire to be useful, an appreciation of the fact that we must prepare for the greater responsibilities that lie ahead, and the ability to earn those rewards which we all seek.

The Institute is particularly designed to help those of us in the banking industry who desire to become more useful, and who wish to rise beyond the level of the commonplace. Our classrooms afford the opportunity for all the members of our fraternity to add an academic understanding to the everyday routine of experience. Our extracurricular activities provide the opportunity for the development of leadership.

That is the challenge that faces us today, on the national level and on the local chapter and study group level. That also represents our opportunity to develop the philosophy of the Institute more fully, and to extend its influence more widely. In these efforts, and for the benefit of our future leaders, I exhort your continued fine cooperation.

For my successor, for his associates, and for the members of the national office staff, I plead for continued unselfish effort and helpfulness, which you gave so freely during the past year. With this united desire for achievement, we cannot fail in our mission. We will attain new heights in accomplishments, and we will ultimately fulfil our destiny within the framework of the banking industry.

As this history goes to press the Institute is writing the story of its fiftieth year under the presidential leadership of Hartwell F. Taylor of Richmond, Virginia. The historian would be out of character in attempting either to record or to appraise events so near at hand, but it can even now be discerned that the chal-

lenge given and the hope expressed by Pierre Hauser are on the way to fulfilment.

It seems more than mere coincidence—indeed, almost predestination—that fifty years after the Institute was born in Richmond, Virginia, a son of the Old Dominion State should have the honor of presiding at the golden anniversary of the organization in the city of Minneapolis where the Institute idea originated.

XXXII

An Educational Democracy in Action

THIS history of the American Institute of Banking has been poorly written if it has failed to convey the impression that the Institute is an educational democracy at work. One of the prime motives in the minds of its founders was the creation of just such an educational institution; it was to be a representative democracy in fact, an organization of bank people, by bank people, and for bank people.

In this respect the Institute differs fundamentally from nearly all other educational institutions, for its policies are formulated by a democratically elected governing body, its curriculum is determined by that same body, and its entire national affairs are administered under the direction of that body. Besides, for the most part its activities are carried on by voluntary, unpaid workers.

The real roots of the Institute lie in its chapters and study groups. The popularly elected officers, governing board, and committee members of the former and the chairmen of the latter undertake the work of their various positions not because they are paid to do so nor yet because it is their duty. They devote their time and energy to their jobs because they *want* to do so. Throughout the history of the Institute these men and women have constituted the very core of its being and the explanation of its continued existence. It is not too much to say that the organization would have faltered seriously, or might even have fallen apart, during two world wars had it not been for the fact that local chapter and study group administrations were as anxious to keep their units going as the national administration was to

Chapters and Study Groups

see them do so. Many local units have had a continuous existence of twenty-five, thirty, forty, or more years. Basically they *are* the Institute.

Springing from these local roots, and connecting them vitally with the central structure, are the national committees. The

National Committees

members of these important bodies are selected by the incoming national president from among chapter members whose names have been submitted to him by their own chapters, by executive councilmen, or by members of the national committees themselves. They are men and women who have proved themselves in matters of local administration, and it is on the basis of demonstrated capacity that they are chosen to work in the national field. They bring to this wider area of activity their years of Institute experience, and the national organization is therefore the direct beneficiary of that experience.

National Office

No organization or institution that operates on a national scale can carry on its work successfully without office facilities and a staff commensurate with its responsibilities. In the early days of the Institute its needs in this respect were not great; hence the work was done easily by a few people whose principal equipment was confined to three or four desks and some files in the general office in New York.

As membership and enrolment grew and as the chapters developed their activities, the need arose for an increase in the size of the staff and for more space in which to do the required work and house the records.

This history does not call for a detailed account of office activity. Let it be sufficient to say that, step by step, the Institute has expanded its national office personnel, quarters, and equipment until it now has a permanent staff of about thirty, including the national educational director, the national secretary, the

associate secretary, and the assistant to educational director who is also the text editor. This is the *paid* staff of the Institute.

In this national office the textbooks are edited and produced, supplementary educational material is prepared, and the educational and administrative activities of the organization are completely serviced. Here all national records are kept, including the personal educational record of every student in Institute classes. Here, too, the final examinations are edited and mimeographed, instructors' reports and students' examination papers are reviewed to assure the maintenance of high educational standards, and certificates are issued. In short, the national office, mechanically speaking, is the hub around which the administration of this educational democracy revolves.

Associate Councilmen

Associate councilmen are in many respects the "work horses" of the Institute. They visit existing chapters and study groups. They promote the organization of new units. They attend chapter and study group functions. They do the "trouble shooting" jobs at the local level. They travel the highways and the byways of the United States as the Institute's sales force, often at great personal inconvenience and at the sacrifice of personal comfort. They stand between the local organizations and the national administration as guides, counselors, and ever-ready friends; in this respect they are ideal material for the greater national honor and responsibilities to which they often are called.

The widespread and varied activities of the Institute cannot be carried on without frequent decisions on important matters of policy. Since the making of these decisions is not a function of the permanent staff, it is essential that there be meetings of the elected officers for the purpose of discussing them before they are presented to the Executive Council for final action.

Four such meetings are definitely scheduled each year. One

National Officers Meetings

comes immediately prior to the January midwinter meeting of the council. The second is held at the April spring meeting of the Executive Council of the American Bankers Association, at which the Institute must be represented as a section of the Association. The third precedes the annual convention of the Institute in June, and the fourth coincides with the annual convention of the parent association, usually held in September. Other meetings are held as the necessity for them arises. Night sessions running into the wee hours of the morning have been common practice, and this was especially true during the hectic war years. Sunday and holiday meetings have been of frequent occurrence.

At all these officers meetings the national educational director, the national secretary, and the associate secretary must be present. At all of them important current matters of business, both administrative and educational, are reviewed and discussed. Decisions within the authority of the officers, especially on urgent matters, are made then, while other matters that call for Executive Council action are prepared for presentation to the council. The process calls for both time and energy-consuming activity.

Council Committees

The council committees and their functions have been described in foregoing pages. Naturally, little has been said about the hours spent by the members not only in the preparation of their reports and recommendations to the council at its regular meetings but also in the detailed attention to Institute affairs that is a daily task throughout the whole year. These committeemen assume their duties in characteristic Institute fashion, knowing that they are an integral part of the machinery that makes the entire organization "tick."

The story of the inner workings of the Executive Council as the governing body of the Institute naturally has been incidental

in the writing of this history. The foregoing pages are replete with the results of its deliberations and actions.

Executive Council

The council is a real governing body, democratically elected by vote of chapter delegates to the annual convention. Of its educational and administrative functions enough has already been said. But the story would be incomplete if it failed to record the debt of the whole organization to that long list of devoted councilmen who, imbued with the spirit of the Institute, have rendered it yeoman service and helped to make it the great institution it is.

The job of the president is no sinecure. During his presidential year, his duties call for extensive travel, many chapter visits, and untold hours both of conference and of correspondence. These duties, of course, are in addition to the multifarious activities of his official position as the presiding officer of the council.

The vice president, the president's "alter ego," must be ready for any duties assigned to him either with the president or as a substitute in the president's absence. Besides, the arranging of the program for the annual convention, highlight of the Institute year, is his personal responsibility.

The immediate past president is kept in harness for a year in the nature of "elder statesman" of the council, drawing on his many years of Institute experience to aid and advise his fellow officers and the council and to act as chairman of the important finance committee.

Every executive councilman is likewise a member of one or more of the council committees and, in addition, carries on his territorial duties both in supervising the work of his associate councilmen and that of the chapters in his territory.

Twice a year these men must be away from their bank duties for a week or ten days or even two weeks, during which their

time and energy are almost exclusively given to the work of the Institute, with the consent and cooperation of their senior officers. And throughout their three-year term of service (it may even last six years if a councilman becomes an elected officer of the Institute) their personal comfort, their domestic interests, and even their personal likes and dislikes take second place to their Institute responsibilities. These are the *unpaid* official staff. Their work is voluntary in every sense of the word; and their compensation comes only in the knowledge of having done a good job for the A.I.B. and of having helped others along in their banking careers. The Institute, and chartered banking in America, are forever in their debt.

Here, then, in brief outline is the machinery of this nationwide educational democracy from the local group to the responsible governing body at the top. It presents a picture of a representative democracy at work in a specialized field of adult education. It shows the local groups as autonomous self-governing units operating within the framework of a national confederation of chapters and study groups, with the entire administrative work being done chiefly by a corps of volunteer workers who find their reward not in self-aggrandizement but in the forward progress of their organization.

The Institute idea was like an acorn, planted in 1900 by a small group who were interested in improving themselves through education. From that acorn has grown a mighty oak, its roots firmly embedded all over America, its branches spread in impressive symmetry wherever bank men and women are interested in self-improvement and in devoted service to the cause of banking education.

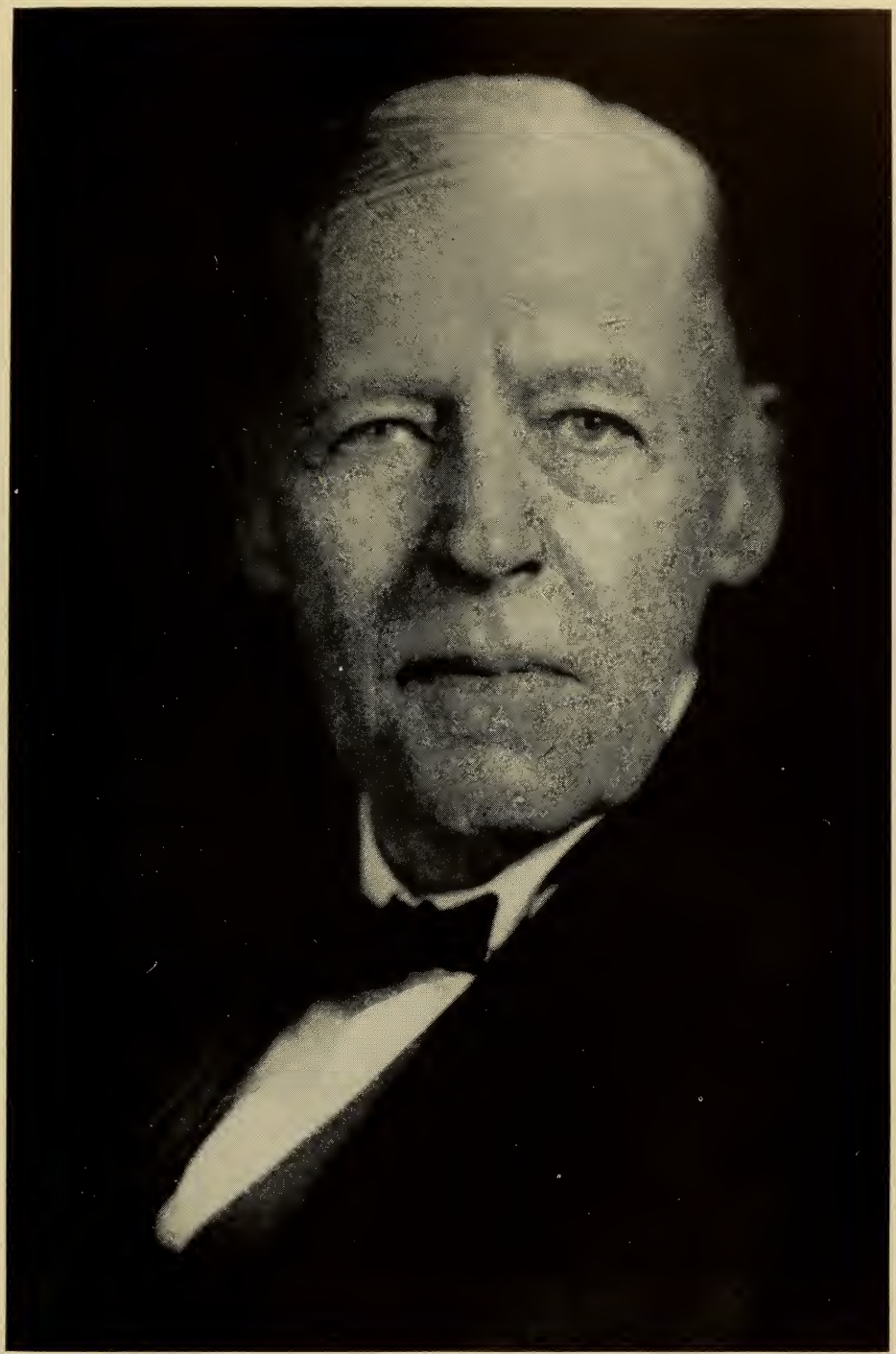
That idea has found its expression not alone in the creation of a great Institute but in the development of something called

the "Institute spirit." This spirit baffles description. It must be felt to be understood. It is the motivating force that drives the men and women who have made the Institute what it is today, a unique adventure in education that represents an approach to the dream of the men who gave birth to the Institute idea.

In Memoriam

The tribute to George E. Allen was prepared by Richard W. Hill a few months before his own death.

The tribute to Richard W. Hill was prepared by the co-author of this volume.



George E. Allen
(at the time of his retirement)

George E. Allen

George Edward Allen, known to thousands of bankers of the past generation as Uncle George (a term of respect and affection) is, and always will be, the central figure in any story that is ever written covering the early history of the American Institute of Banking.

He was born in Pavilion, Genesee County, New York, February 7, 1854, the youngest of three children. His parents were David Allen and Laverna Cheney Allen. He was educated in the district schools and at Leroy Academy in LeRoy, Genesee County, New York.

He entered the newspaper field at an early age as reporter, typesetter, and printer on the local paper. He later moved to Buffalo, New York, where for a number of years he was associated with The Buffalo News and later with The Buffalo Courier, first as reporter and subsequently on the rewrite desk. While in Buffalo he married Alice Smith, who died two years later at the birth of a daughter.

Mr. Allen moved on to Bradford, Pennsylvania, where he became editor and proprietor of The Bradford Star.

His next move took him into the field of railroading, and he became publicity agent for the St. Paul, Minneapolis, and Manitoba Railroad, which James J. Hill was building. This work later took him to Chicago, and he became general agent of the railroad. While acting as general agent, he lived for a while in Minneapolis, Minnesota, where he married Louise Dow on June 29, 1887. By this marriage he had four daughters.

About 1898 Mr. Allen became associated with the Erie Railroad, first as general northern passenger agent and then as general passenger agent. He was stationed in New York and for the greater part of the time resided at Passaic, New Jersey.

He resigned his position with the Erie Railroad early in 1901 and joined the staff of The Title Guarantee and Trust Company of New

York to assist in the organization of a banking department in that institution. During his tenure with the title company, he devoted considerable time and attention to the work of the American Institute of Bank Clerks. His services with the title company ceased on October 10, 1905, and on that date he began his full-time connection with the Institute.

While still in the employ of the title company he became associated with the School of Commerce, Accounts, and Finance of New York University. During his first year he was a lecturer on business practice. After that and until the spring of 1908, when he severed his connection with the university, his title was assistant professor of business practice. His lectures were given in the evening and therefore did not interfere with his Institute commitments.

His services with the Institute began soon after the organization meeting on February 15, 1901, when he was appointed assistant secretary. Following the death of A. O. Kittredge, the first secretary of the Institute, Mr. Allen was elected secretary by the Board of Trustees on August 21, 1903. He was co-editor of the Institute Bulletin from June 1, 1901 to July 15, 1902. He took charge of the Bulletin as editor on July 1, 1905 and continued to act in that capacity through the July 1921 issue.

He was appointed educational director of the Institute on July 25, 1908 and served continuously in that office until his retirement on August 31, 1922.

Doubtless this story of Uncle George will be incomplete. There is no one and there never was any one "in the know" on all his activities. In the early days he was the Institute. He was David battling the Goliaths of suspicion and opposition. From the first, however, the Institute to him spelled only one word—education. He was devoted to it. He fought for it. Several times he nearly "lost out" for it. But he never compromised.

Indeed, the story, on unimpeachable authority, is that when E. D. Hulbert became president of the American Institute of Bank Clerks, he had the definite idea that his first job would be to eliminate Uncle George, because the Institute was not making the progress that was reasonably to be expected.

However, no one did Mr. Hulbert's thinking for him. He made his own investigation and soon ferreted out the reason for the lack of progress—insufficient or absence of support from the top. Some bankers feared the possibilities of this newly born nationwide association of bank employees; consequently they were not excessively enthusiastic in their encouragement.

As soon as Mr. Hulbert got the feel of things, he went to work. From that time on the Institute took form and thrived.

At the Dallas convention in September 1914, a few of the die-hards made a last attempt to overthrow Uncle George, the champion of the educational idea. Harold Dreher of Milwaukee was president of the Institute at the time. He was a sincere devotee of the educational idea. Learning of the proposed uprising, he passed the word along to the younger group. When Uncle George appeared on the platform, President Dreher made the following remarks:

> If you are associated with an individual during a year you will learn thoroughly the different characteristics of that individual. We have with us today one who for many years has functioned in the Institute, a man with a very unusual personality. We realize that we come in contact with various activities of that personality in many ways and at many times, but there is one thing that has never failed during all the period of years that he has been associated with the Institute. He believes in the great purpose of the Institute. He believes in the wonderful furture which it is to have. He believes it is a vital part of American life at the present time, and he is writing his lifeblood into it, because it is going to be in a large degree his monument. I would be remiss in my duties if I failed this morning to state publicly here and now the debt of gratitude we owe to the man who is educational director of the Institute, and I want merely to present him to

you and let you show him that he is still high in your estimation. Mr. George E. Allen.

After Mr. Dreher's remarks the official reporter put the words "tumultuous and long-continued applause." As a matter of fact, the ovation threatened to last all morning.

When silence was restored, Uncle George responded by saying that he was reminded of the man from the country who came to New York and had his watch "lifted" before he was a block from the railroad station. He was disturbed. He went to the police station and indignantly told the police captain his story. The captain, entering into the spirit of the occasion, told the man that he would leave no stone unturned to recover that watch.

The next morning, while the "victim" was seeing the sights, he stopped for quite some time watching an excavation being made for the subway. Bulldozers and trucks were rumbling, dynamited blocks were sending up showers of rock, and steamshovels were whistling and working furiously. Suddenly a thought struck him and he dashed back to the police station. "Captain," he said, "you don't have to take all that trouble. It was only a dollar watch."

The report of the Dallas convention was prepared by George E. Allen, and his comment on the foregoing remarks of President Dreher was typical of the man. He wrote, "The reception was unexpected to the educational director and his response did not indicate a superabundance of oratorical assets."

From the start, the primary job of Uncle George was the organization, and after that the sustenance, of Institute chapters. He traveled the country from one end to the other carrying out his responsibilities. He was hailed everywhere by the group who saw eye to eye with him on the aims of the Institute. However, some of his visits were hardly of the pastoral variety. He was plain-spoken and fearless in his denunciation of practices that promised or threatened to stul-

tify the true purpose of the organization. And against tremendous odds he succeeded. Those who came after him found a solid foundation on which to build the superstructure that has been recognized by educators everywhere as a highly successful educational venture.

It is impossible to record the many problems that Uncle George faced and solved in the early days when the Institute was in the formative stage. He edited the Bulletin, the mouthpiece of the Institute, and the columns of that publication are silent on the details of battles fought and won. Yet, those were the days when his tactful judgment, fearless courage, and uncanny ingenuity met and overcame obstacles that the average man would have regarded as unsurmountable. Naturally, as a paid employee, it was essential that he camouflage, if not actually hide, some of his activities. In that role he was a past master, for he possessed the gift of subtlety.

An evaluation of his services may be imagined, if not determined, from the following excerpts from the Bulletin which describe people and events.

At the 1917 convention of the Institute in Chicago, the first matter brought to the attention of the delegates was the absence of George E. Allen. This was the first Institute convention Uncle George had missed. President McWilliam said: "It is with profound sorrow that I have to announce to you that our beloved Educational Director, Mr. Allen, is prevented from being with us by serious illness. Yesterday afternoon the Executive Council sent Mr. Allen a little telegram, telling him how sorry we were that he could not attend our meeting, and this morning I have a very characteristic telegram from him, which certainly indicates that his brain is all right, even though his body may be temporarily impaired."

The telegram from Mr. Allen was as follows: "Thank Executive Council for telegram regretting my absence. I am proud that you miss me but prouder that the Institute has outgrown the necessity

of any one man or set of men and become a constellation in which individuals are only twinkling stars."

It was fitting that in 1921, at Minneapolis, the cradle of the Institute, we were privileged to celebrate the twentieth anniversary of the founding of our organization. To the great pleasure of the delegates, and quite appropriately too, Joseph Chapman, father of the Institute idea and, incidentally, vice president of the L. H. Donaldson Company of Minneapolis, was called to the platform by John H. Puelicher, in whose hands President Beckley had placed this feature of the program. Mr. Puelicher then called for Clay Herrick of Cleveland and George H. Richards of Minneapolis; and when they had ascended the platform, the announcement was made that Messrs. Puelicher, Herrick, and Richards had been delegates to the first convention of the Institute held in Cleveland in 1903.

In turn, the following also took the platform: Byron W. Moser, Robert H. Bean, J. C. Thomson, Gardner B. Perry, and Stewart D. Beckley, all of whom were past presidents of the Institute; Robert B. Locke, whose election as president of the Institute Mr. Puelicher correctly predicted; Peter W. Goebel, a former president of the American Bankers Association; Guy E. Bowerman, executive manager of the American Bankers Association; James H. Daggett of Milwaukee, J. W. Bradley of Spokane, Thomas H. West of Portland, and George A. Jackson of Chicago, all of whom were past vice presidents of the Institute; and last, but not least, the presidents of all the chapters of the Institute represented at the convention. Mr. Puelicher selected Joseph Chapman as a committee of one to escort George E. Allen to the platform. With this imposing array of Institute pioneers and veterans, generals, privates, and allies, Mr. Puelicher proceeded to address the delegates and Uncle George as follows:

When Napoleon was at the height of his power, when he was Emperor of France and king of a dozen countries, he loved best to be called by the

endearing term of The Little Corporal. Abraham Lincoln, the best beloved American, is dearest to us when we think of him as Old Abe. And because we love George Allen, we call him Uncle George. Uncle George, this is the twentieth anniversary of the American Institute of Banking. It was born in this city. It has grown from a mere child into a strong, powerful institution, with ideals second to none.

You came into the organization twenty years ago. Our anniversary is also your anniversary. It was just a weak, tottering child that put its hand in yours. Your experience, your knowledge of men and of affairs have guided it into a strong, wonderful, powerful manhood.

Uncle George, we want you to know of our love and esteem and respect. There is no intrinsic thing which we could give to you which would fully express it, but we are endeavoring to express it as best we may, by handing to you herewith a tribute which comes from 45,000 of those to whom you are dear. I am handing you this tribute. It reads to the "Trustees of the George E. Allen Testimonial Fund" and it is written in the amount of $20,000.

Take it, may you continue to enjoy good health and long life and may your usefulness in the banking profession never grow one mite less, as will never our love for you, Uncle George.

At this juncture, pandemonium reigned, as the entire convention rose to its feet, manifesting its enthusiastic indorsement of Mr. Puelicher's tribute to Uncle George, who made the following characteristic response:

Mr. Chairman and my beloved nieces and nephews: You know that I always preach, and sometimes practice, the doctrine of Duty First. On this occasion I have three distinct duties to perform and I shall not shirk them.

My first duty is to give some practical and friendly advice to John Puelicher. My advice to you, John, is never to try to break into the Ananias Club, for ten out of nine of the members would blackball you out of sheer jealousy of your superlative qualifications. Nevertheless, ladies and gentlemen, if you want to believe, or partly believe, or pretend to believe the kind words that Mr. Puelicher has spoken about me, go ahead and do it. I shall be more than happy to have you do so.

My second duty is to say a word about the Institute and my personal relationship to it. I was not born yesterday. I have kept this secret fairly

well from the men of the Institute, the future Alexander Hamiltons and Andrew Mellons, but I have not kept it from the future Queen Victorias and Hetty Greens. They have known this, and now publicly I want the men to know what the women have always known. In the old pioneer days it was good administration to have a man of varied character, who combined the qualities of pedagogue and politician. I was favored with that appointment. I have done the work as well as I could, but the Institute has outlived its pioneer days. It has become a great institution, and there must soon be some sort of reorganization.

My third duty is to express appreciation of your magnificent tribute. I am not so constituted that I can express appreciation of such a tribute. I know I cannot do it and I shall not try. An authority that we cannot dispute has said that "It is more blessed to give than to receive," but if you feel more blessed than I do at this time you must feel as if you are dancing on the golden streets of Paradise to the music of the spheres.

I am not such an egotist as to imagine that your tribute is a tribute to my personality. It is rather a tribute to what myself and others have represented during the past twenty years, conscientious and systematic study of banking and its relationship to the welfare of the world, conscientious and systematic study of human nature, men and women made in the image of God, that can only be governed permanently and successfully by the practice of the Golden Rule, and last but not least, everlasting faith in the fact that the world is growing better and not worse as the years go by, and that it is a God-given privilege to march in the procession of progress, ever onward, ever upward, toward greater and better things.

It was evident from the long and loud applause that followed the remarks of Uncle George that his sentiments met with the wholehearted approval of the delegates.

The most accurate description of Uncle George that was ever written, or ever will be written, came from the pen of David C. Wills, chairman of the board of the Federal Reserve Bank of Cleveland. This is what Mr. Wills wrote in 1919:

No history of the Institute is complete without some words about George E. Allen, covering the time since the birth of the organization. While Uncle George, as he is affectionately called by both the Old Guard and more

recent rulers, commenced with the title of Assistant Secretary and now stoops under the weighty title of Educational Director, his has been, more than that of any other man, the dominant personality that from the beginning has carried the Institute safely through all its periods both perilous and promising.

Most of those who served as first presidents of their chapters will remember that it was George Allen who came out and interviewed the bankers (officers and clerks) to obtain their not too enthusiastic consent to the formation of an Institute chapter. He was the pioneer in the field, and his peculiar ability, backed by his stubborn tenacity, generally prevailed when timid souls, "without honor in their own country and among their own friends," were having difficulty in convincing the home folks not only of the feasibility of the Institute idea, but also as to their own qualities of leadership. There are a number of fellows high-browing now in positions of prominence and responsibility who would have quit cold during the early skirmishes in the Institute if Uncle George had not stiffened their backbones.

Allen was always an exponent of the educational idea, convinced as he was that the Institute was formed principally for that purpose. He knew too well that the survival and growth of the Institute rested on the foundation of education. He also early foresaw, with others, that self-government was essential to the success of the Institute, not only on account of its political attractiveness but because he regarded self-government as the most practical method of cultivating administrative ability.

Thus Allen entered upon a program that would have discouraged a less versatile man and disheartened a less resourceful one. Administrations came and went, both in the American Bankers Association and in the American Institute of Banking, but Allen survived them all, and he has the satisfaction of seeing his principal aims achieved. Such satisfaction may not be eligible to rediscount at the New York Federal Reserve Bank, but it will be accepted at par where moth and rust doth not corrupt and politicians do not possess the password.

The American Institute of Banking, while being a monument to the foresight of certain leaders in the American Bankers Association and a credit to those young men who have benefited by it and helped in its management, is a vigorous adult now, mostly by reason of the steering abilities of George Allen. New captains came on the ship with regularity and once the ownership of the vessel changed hands, but from the beginning Allen has been the only pilot.

Uncle George was a man of many parts: a master of English, a raconteur of no mean ability, a diplomat, and possessed of a fertile imagination.

He would come into the office after a trip, plunk his feet on his desk, and just sit and think—not a word to any one. Then, with no warning, he would drop his feet to the floor, grab a lead pencil, and write something that even he, at times, had trouble deciphering. But what he wrote was literature.

Doubtless the best-known product of his pen was his definition of a banker. There were years in the past when it was emblazoned on every piece of Institute literature.

> A successful banker is composed of about one-fifth accountant, two-fifths lawyer, three-fifths political economist, four-fifths gentleman and scholar—total ten-fifths—double size. Any smaller person may be a pawnbroker or a promoter but not a banker.

Another literary gem, The American Eagle, has been quoted in Chapter XIX.

Uncle George perhaps could not have been called over-religious, but he possessed a spark of right living that should be a guide and an inspiration to bankers everywhere. His outstanding production in that special field was an article which he entitled Bank Ethics. Here it is:

> In the business of banking magnetic personality means much, but it does not mean everything. There may be too much glad hand and too little straight eye and perpendicular conscience. Palaver and entertainment may get some new bank accounts, but only efficient service and complete confidence can keep them. A reputation for just and uniform treatment of customers is more attractive than a reputation for favoritism—even to favorites. To get and keep business, as well as to get and keep friends, the good and true in ourselves and others, and not the weak and vicious, should be cultivated. Associations of bankers, state and national, are educating the fraternity in professional ethics, and as a result competition is now directed not so much toward cutting throats as toward developing new business and

elevating the standard of the banking profession. Bankers as a class are honest not only from inclination but from necessity. Character is the greater part of their capital, and its impairment would be disastrous. It is to their interest not only to maintain integrity among themselves, but to promote integrity in others. It is to their interest to make the world better as well as richer. Self-interest may not be the ideal motive for exalting the golden rule and decrying the golden calf, but the presence of self-interest does not imply the absence of devout sincerity in preaching and practicing what is right.

Uncle George had a quaint sense of humor. He never laughed at his own jokes, and he seldom laughed at any one else's, although he enjoyed them. His stories and cryptic sayings were legion. He could put in a phrase what others might require a paragraph to say.

At the 1936 session of The Graduate School of Banking, Registrar Richard W. Hill included in one of the issues of the daily school paper, The Morning Milk, some of Uncle George's original writings. When school was over, he sent copies of the issues carrying this material to Uncle George. The following letter, a typical Uncle George production, was received in acknowledgment:

My dear Dick:

I appreciate your thoughtfulness in copying some of my old "stuff" in the publication of The Graduate School of Banking.

I look upon the Graduate School as Moses must have looked upon the land of Canaan. He had struggled through the wilderness for years with the children of Israel but when he came in sight of the land of Milk and Honey the Lord flagged him and he became a mere spectator.

On the whole, I think Moses was pleased with the sight and I am in the same state of mind.

Yours forever,
(signed) George E. Allen

Mr. Allen died at Malone, New York, on June 25, 1937. He was survived by two daughters: Josephine (Mrs. John B. Hinds of Malone, New York) and Louise (Mrs. William E. Ross of Old Greenwich, Connecticut).

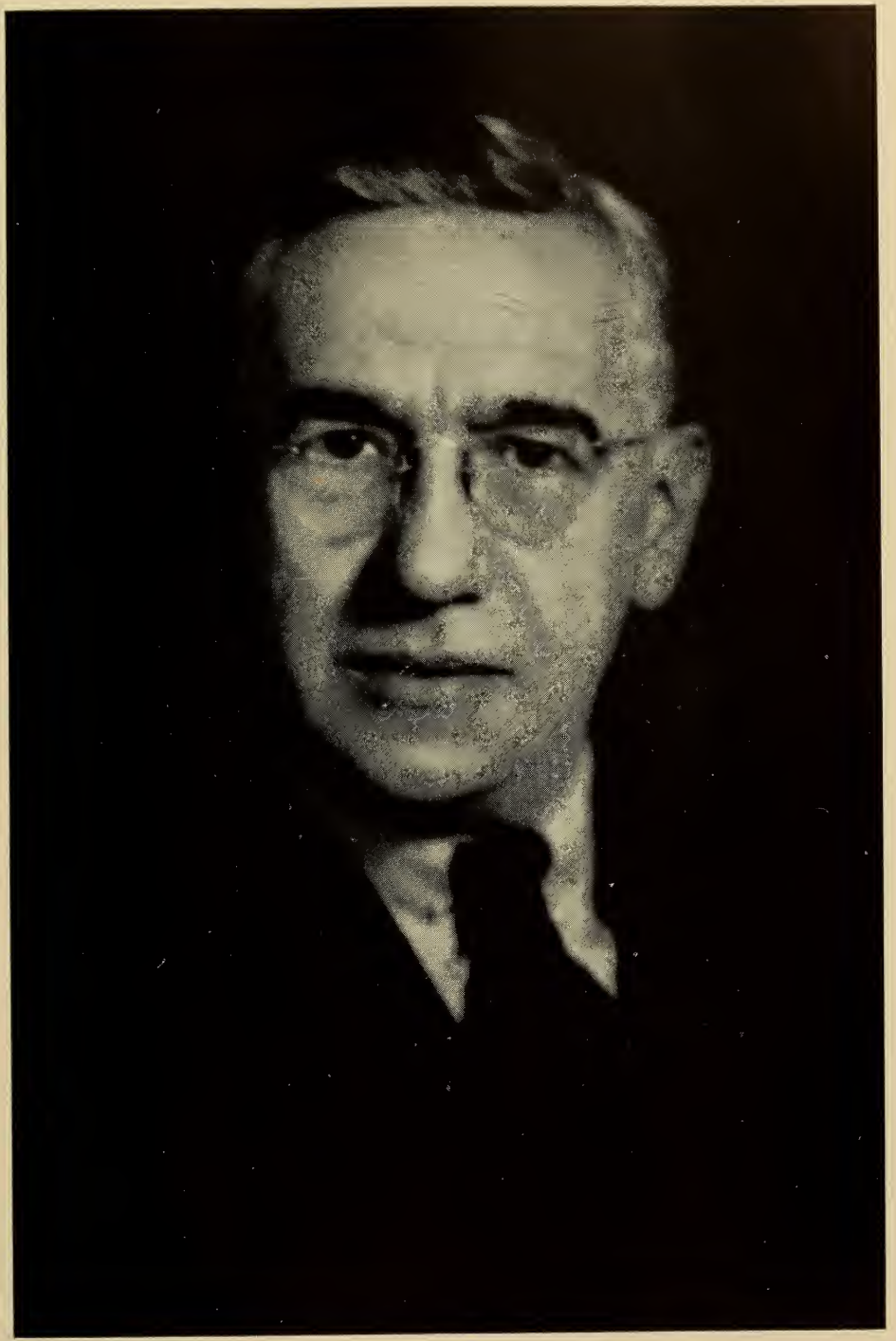
It was Mr. Hill's responsibility, as editor of the Institute Bulletin, to record the passing of Uncle George. A portion of the tribute which appeared in the July 1937 Bulletin is reproduced here.

On Friday morning at five o'clock, June 25, 1937, the mentor of the Institute and for twenty years its chief pilot, passed away at Malone, New York. George E. Allen, affectionately called "Uncle George"—guide, philosopher, and friend—was, more than any other one man, the dominant personality who from the beginning "carried the Institute safely through all its periods both perilous and promising."

A man of wide interests and varied experience, George Allen had a magnetic personality. His brilliant mind, filled with memories of sixty years of activity in the business world, was a storehouse of interesting anecdotes and sage advice. He had a wide reputation as a public speaker and raconteur. He was loved for his wit and revered for his wisdom.

Every institution is but the lengthened shadow of a man, and so is the American Institute of Banking.

So when a great man dies,
For years beyond our ken
The light he leaves behind him lies
Upon the paths of men.



Richard W. Hill
(at the time of his retirement)

Richard W. Hill

Richard William Hill was born in Wolverhampton, England, January 1, 1878. He came to the United States in 1883 with his parents, Edward Hill and Mary Ann Merriman Hill, and acquired citizenship in this country through his father, whose naturalization papers were issued by the Superior Court in the city of New York on February 4, 1886.

He received his elementary education in the New York public schools, graduating from Grammar School No. 64 in Fordham (then a suburb of New York City) on June 28, 1894, at the age of sixteen. Had his father lived, Richard undoubtedly would have continued his formal education immediately. But Edward Hill had died about two years earlier; hence financial considerations forced Richard to leave school on the completion of his elementary education. Regardless of his achievements in later life, he always took great pride in the possession of his grammar school diploma.

His first employment was with W. & J. Sloane of New York City, then principally a carpet house, as office boy and messenger at $3 a week. But sharpening pencils, cleaning inkwells, and running errands offered little scope for the energies of young Richard, and he soon progressed successively to clerk, bookkeeper, and statistician, and finally was placed in charge of the insurance department.

While at Sloane's he decided to study law. As a preliminary, he enrolled for evening courses at New York Preparatory School. After two years of study he completed the subjects required for a law student's academic certificate and was successful in passing his Regents examinations. He then attended afternoon classes at New York University Law School, clerking in a law office mornings and early afternoons, again at $3 a week. He completed his study of law and was admitted to the New York Bar on July 1, 1902.

Mr. Hill became interested in politics early in his business career, identifying himself with the Republican party, and in 1905 was an unsuccessful candidate for alderman in the old 41st Aldermanic District, a democratic stronghold. He served as an election district captain for many years and was a member of the Republican county committee that unhorsed the Odell faction in New York County and elected Herbert Parsons as county chairman.

He practiced law from 1902 to 1914. On January 1, 1906 he received an appointment as night clerk in the coroner's office in The Bronx, where he worked from 5 p.m. to midnight, thus having the daytime hours to devote to his law practice. Although law did not become his life work, he found his knowledge of legal principles invaluable throughout his subsequent business life.

On June 27, 1906 he married Jennie L. Jackson of Fordham, whom he had known for fifteen years.

Mr. Hill resigned his appointment as night clerk in the coroner's office in January 1913 so that he might devote his evenings to studying the principles of accounting, and in a short time he accepted a daytime position as junior accountant with the accounting firm of Perine & Nichols in New York City.

During 1913 he managed the campaign of Douglas Mathewson, the only Republican ever to be elected president of the Borough of The Bronx in the city of New York. Mr. Hill gave up law as a career when he received an appointment as secretary of the Borough on January 1, 1914. He resigned that office in November 1916 to accept service with the American Bankers Association.

As secretary of the Borough of The Bronx, Mr. Hill was charged, among other things, with the carrying out of a vast amount of administrative detail and the preparation of the annual budget of the office approximating one and one-half million dollars. In accepting his resignation, Mr. Mathewson made a public announcement in which

he said: "Mr. Hill has been associated with me in this office since I entered upon the discharge of my own duties. He has worked long hours, arduously, and with the best results. He is so well known that it is unnecessary that I should comment upon the tact and judgment he has displayed in meeting those having business with the office and in disposing of problems submitted to him for disposition. As he goes out, he carries with him the profound respect as well as the affection of the employees of the office generally. It is with the utmost regret that I have accepted his resignation. I have written to him, in accepting his resignation, that I entertain the hope that in some way, at some time, the public may again avail itself of his services. He is the kind of man whose services are needed by the public in the discharge of its business."

Richard W. Hill joined the staff of the American Institute of Banking Section of the American Bankers Association on December 1, 1916 as assistant to the educational director, George E. Allen. But this was not his first contact with the Institute. For three years prior to that time he had been acting as an examiner for its correspondence course in Commercial and Banking Law, and that service had paved the way for his employment on a full-time basis. Throughout his life Mr. Hill maintained that his perception of Institute aims and his knowledge of early Institute history were largely the result of his close contacts with Uncle George Allen.

Dick Hill, as he became familiarly and affectionately known to Institute men and women of his time, was made national secretary of the A.I.B. on October 9, 1919 and he held that office until June 1940. On the establishment of The Graduate School of Banking in 1935, he was appointed registrar and served in that capacity until his retirement in 1944. He was appointed secretary of the American Bankers Association in September 1937 and continued in that office until his retirement.

In 1939, because of his legal background, he was designated by the Association as publisher of the revised edition of Paton's Digest of Legal Opinions, and he had sole charge of the preparation and editing of the material for that publication.

Mr. Hill's service with the American Bankers Association, covering twenty-eight years, was divided into three distinct phases: his Institute activities, his work with The Graduate School of Banking, and his secretaryship in the American Bankers Association.

In the A.I.B. Dick Hill found those things that enabled him to realize to the full his life ambition. Here, the thing that he had been pursuing so arduously for many years—adult education—became the very essence of his daily occupation. Not only did he exert his maximum effort to broaden the field of education for bank employees, but he never ceased to continue his personal development along many lines.

As evidence that he practiced what he preached, one of his first Institute achievements outside the line of duty was to qualify for the standard certificate, which he received in 1919. After Uncle George Allen retired in the early 1920's, increasing demands were made upon Secretary Hill to speak at chapter banquets and other meetings. Public speaking was something he had not yet had time to cultivate, and he was consequently under a handicap at first. But, as was always the case whenever he felt a lack of education along a particular line, he began systematically to overcome this drawback. For years he practiced speech preparation and delivery in his leisure time at night until he had developed considerable speaking technique. His background of literature gained through extensive reading, his love of poetry, and his inexhaustible fund of stories and anecdotes came in handy; nevertheless, speech preparation was no easy task for a busy executive approaching the age of fifty. But because he attacked the problem with energy and enthusiasm, the result was in direct pro-

portion to his effort, and he became a well known speaker before Institute groups.

Of the innumerable contacts that developed into friendships during his tenure with the American Bankers Association, he prized most his close relationship with Harold Stonier. In fact, Mr. Hill stated many times that a turning point in his A.B.A. tenure was the advent of Dr. Stonier, first as educational director of the Institute, then as director of The Graduate School of Banking, and finally as executive manager of the American Bankers Association. To quote his own words: "It was a new education for me to come in close contact with Hal Stonier, who brought a power of vision, educational background, public speaking presence and facility, patience, and thoughtfulness that presented examples I tried to emulate, and I hope with some slight success. At least they spurred me on."

Dick Hill frankly admitted that he owed much to the Institute, but it can be stated without reservation that the Institute owed immeasurably more to him. Having joined the staff during World War I, when the organization as a whole was at a low ebb, he helped to guide it through the difficult days immediately following the conflict. In the 1920's and the 1930's he watched the A.I.B. grow by leaps and bounds—from 80 chapters with a total membership of 24,427 in 1919 to 244 chapters with a total membership of 65,099 in 1939. Besides acting as national secretary during these two decades, he was editor of the quarterly Bulletin and was secretary of the Correspondence Chapter of the Institute. From 1923 until 1938 he was also secretary of the Public Education Commission of the American Bankers Association.

Dick Hill's ability as an organizer came into full play in his handling of the annual conventions of the A.I.B. For the guidance of local convention committees, he developed a convention manual, complete to the smallest detail, and this manual, with occasional

revision, has contributed materially to the smooth functioning of the Institute's annual meetings ever since that time.

As the watchdog of the Institute's treasury, his sense of responsibility and accountability resulted in the building up of a fund which served as a backlog of security through the hard times of the 1930's. And his almost uncanny executive ability carried the administrative work of the Institute well along the road to a still greater future.

Dick Hill had his faults, like every one else; but to those who knew him well, who could see beneath the surface, the occasional brusque manner and quickness of retort were the natural accompaniment of a vital personality, geared to high tension. Efficient himself, he had no tolerance for those who were inefficient. He had an inquiring mind, a high sense of duty, an aptitude for details, and untiring zeal in doing his work. But though he would spend countless hours of his leisure time on Institute work, he never demanded, or even suggested, the same sacrifice from his staff. Yet his own intensity of purpose called forth such respect and loyalty that when the need arose, his staff members would be found at their desks long after closing time.

When Mr. Hill had completed twenty years of Institute service, the Executive Council recognized that fact by adopting appropriate resolutions which were subsequently signed by every member of the council. The resolutions, dated December 16, 1936, read as follows:

To Richard W. Hill in recognition of twenty years of service to the American Institute of Banking:

As National Secretary of the Institute, Richard W. Hill has displayed remarkable genius in handling the problems incident to the growth of our organization, which has made its greatest progress as the educational section of the American Bankers Association during the past two decades.

The annual conventions, which have become an inspiring and constructive force in Institute affairs, testify to his executive ability.

As editor of the Bulletin, he has contributed both to the literature and to the spirit of our organization.

Impressive as are these tangible evidences of his years of service, no less deserving of recognition is his helpful friendliness which has found him never too busy to counsel with any member of our organization; and throughout the entire Institute he is affectionately known as "Dick."

Three and a half years later Mr. Hill resigned his position with the Institute to devote his full time and energy to his duties as Association secretary and registrar of The Graduate School. At the Boston convention in June 1940, President Harry R. Smith, on behalf of the Institute, presented to the retiring secretary a scroll inscribed:

To Richard W. Hill, student, graduate, National Secretary of the American Institute of Banking: An expression of admiration and appreciation for years of distinguished service and counsel to officers and members throughout the entire organization. June 4, 1940.

At the same time Mr. Hill received a desk clock inscribed: "Richard W. Hill, time has proved your loyalty to the American Institute of Banking."

Dick Hill was one of the most active figures in the founding of The Graduate School of Banking. All that he had learned by training and by experience he brought to bear on its problems, and it was due in large measure to his genius for organization that The Graduate School achieved a position of importance in the financial world at the very outset of its existence. As registrar of the school, he was at the center of all its activities, particularly during the two-week annual resident session on the campus of Rutgers University at New Brunswick, New Jersey. Hundreds of bank officers attending the school knew him as "the man who passed on their applications, assigned them their rooms, bantered with them, and in many ways helped make memorable their days as students."

The crowning event of Dick Hill's life occurred when, at the 1942 commencement of The Graduate School of Banking, Rutgers University conferred on him the honorary degree of master of arts. In

vesting him with the symbol of this honor, President Robert C. Clothier said:

> Over the years you have rendered distinguished service as author, editor and practitioner in the field of law. You have conscientiously discharged the duties inherent in your position as a public official of the City of New York. Throughout your long and fruitful career you have displayed unusual talent in business and educational administration. In recognition of these achievements and as a personal tribute to you I am authorized by the Trustees of Rutgers University to confer upon you, honoris causa, the degree of Master of Arts.

In recognition of Dick's service to The Graduate School during its first decade, the board of regents, in 1944, established the school's first academic award to a graduating student, to be known as the Richard W. Hill Award. This award, in the form of an engrossed testimonial to the graduate's achievement, is presented to the active bank officer in each graduating class who, at the time of receiving his diploma, is the oldest member of the class.

In announcing the Richard W. Hill Award, Dr. Harold Stonier, director of the school, said: "By it we hope forever to capture the spirit and the loyalty and the energy and the organizational genius that Richard W. Hill has put into The Graduate School of Banking."

The third phase of Mr. Hill's service with the American Bankers Association began in the fall of 1937 when he was appointed its secretary, at the same time that Dr. Stonier became executive manager of the Association. For seven years Secretary Hill devoted himself to his Association duties with the same energy and zeal he exercised in carrying on his Institute and his Graduate School activities.

On the advice of his physician, he tendered his resignation to the Executive Council of the Association at its spring meeting in 1944, and with deep regret the council accepted his resignation, to take effect August 31, 1944.

Mr. Hill formally announced his coming retirement at the com-

mencement exercises of The Graduate School of Banking on June 30, 1944. "I shall miss the activity, the associations, yes, and the responsibilities," he said. "Some of the happiest and most satisfying experiences of my life have been here in this institution which has enriched the lives of so many men who have come under its influence and tasted its fruits, and I am proud to have had a part in that development. But even though I am leaving this school, my heart and my interest, as long as I have an interest in anything, will be here in this Graduate School of Banking."

The year following his retirement Mr. Hill was privileged to make the commencement address to the graduating class on June 29, 1945. His popularity with the student body was reflected in the prolonged and enthusiastic applause which followed the conclusion of his talk.

It would seem almost impossible for a man whose business responsibilities were so exacting as Dick Hill's to find time for outside interests; yet Dick had a wide variety of hobbies and pursued them with intensity. To quote his close friend and associate of many years' standing, Dr. Stonier: "Time that other men gave to tennis, golf, handball, bowling, and poker, he devoted to hobby pursuits which, to him, were not only relaxing but mentally improving. May I list some of them?

"1. The growing of dahlias. He read everything he could about their culture and was constantly experimenting in his garden with their growth and improvement.

"2. The Giants baseball team. He knew it in good times and bad. For thirty years he kept a record of every player on that team and every game they played. That was as near as he ever came to sports. He believed, however, that every man should pick a sport and be able to talk about it intelligently, even though he did not try to play.

"3. Poetry. One hour of every day was devoted, without interrup-

tion, to the reading, memorizing, and collecting of verse. He left an anthology of twelve typewritten volumes.

"4. Pullman cars. For twenty-five years of his life, Dick traveled a good deal and he kept a record of the name and age of every pullman car in which he rode, and why it bore the name it did. I could never make much sense of this hobby, but he contended it added zest to travel and added to his knowledge of railroad people. Railroad passenger agents have told me that Dick knew more about train travel than any layman with whom they did business. He never failed to acknowledge good service on the part of pullman porters and whenever he found a porter who had done a good job, Dick always wrote to the Pullman Company giving the name of the porter and the reason for his letter.

"5. Straight-edge razors. He had no sympathy with modern safety razor gadgets. He was a devoted user of the straight-edge. He collected them and gave them away as presents, with the history of their life and the temper of their steel. I have seen him, on a pullman car, shave in the morning with a straight-edge razor in one hand, a copy of the paper in the other, and a cigarette in his mouth. He could shave, smoke, and read with the train rolling along at 45 or 50 miles an hour. That was a record of some kind or other.

"6. Republican party. This was a political religion with him at one time in his life, when he practiced politics and was a political office holder. Figuring the results of an election in advance was a favorite pastime with him, and he was always ready to bet on his opinion. When he thought his party would lose, he was willing to wager on the size of the defeat. But as much as he was interested in politics, he would never talk politics in the office. He said that such was an unjust use of an employer's time.

"7. Finally, I mention the Bible. As was true in politics, Dick was once a professional in the field of religion. In his early life he was a

lay minister for the Methodist Church. Later he gave it up, but the Bible became a hobby with him. He read it constantly and memorized nearly all beautiful passages and was intimately familiar with the rest."

Dick Hill's most ambitious project in his retirement was the compilation of material for a history of the American Institute of Banking. He delved into old records, scanned the pages of the Bulletin issues from 1901 to 1940, and corresponded with many Institute oldtimers in an effort to reconstruct the story of the A.I.B. from its beginnings. In December 1946, after a year and a half of research, he delivered to the national office in New York a preliminary manuscript of basic material totaling about 450 typewritten pages.

A few weeks later, on January 10, 1947, he passed away suddenly at his home in Larchmont, New York. He was survived by his wife, a son, Richard Jr., a daughter, Elizabeth Hill Boylan, and five grandchildren.

As a memorial to his life and work, the Executive Council of the Institute adopted the following tribute at its midwinter meeting on January 29, 1947:

Richard W. Hill was eminently fitted, both by training and by experience, to be National Secretary of the American Institute of Banking, an office he held with distinction for twenty-three years. Having been denied many of the advantages of formal education in his youth, he studied so diligently in his adult life that he achieved a high degree of competence in law, in accounting, in public administration, in the effective use of precise English, and in the art of public speaking. He had a genius for organization and unusual ability in the handling of detail. In addition to these acquired and native talents he was gifted with tireless energy, and he gave all without stint to the duties of his office.

Adult education was his consuming interest. To its extension he gave his full-hearted devotion and zeal. He was inherently a modest and a humble-minded man, and it was characteristic of him to give to others the credit for the success of the organization to which he contributed so much.

His name has an honored place in the history of the organization, and its Executive Council thus places on record the profound gratitude of the Institute for his long period of faithful and fruitful service.

Finally, at the Detroit convention of the Institute in June 1947 the delegates were privileged to hear a touching tribute to Dick Hill delivered by Frank M. Totton of the Chase National Bank of New York, a past president of the Institute and one of Dick's many friends. This was the tribute:

RICHARD WILLIAM HILL

We look to the East for the rising things,
For the dawn of the rising sun.
But we look to the West, the crimson West,
For the things that are done.
For there in the East they dream their dreams,
Of the things they hope to do.
But here in the West, the crimson West,
The dreams of the East come true.

So it was with our friend Richard W. Hill, for in the East, in the fair, green land of England, he dreamed his dreams and here in the West, in the beckoning, challenging land of America, he saw his dreams come true.

One of those dreams was the promise and power of education for himself and for other young people. Ultimately, he secured it for himself and for others similarly ambitious. The educational courses of the American Institute of Banking and The Graduate School of Banking are fulfilment of his dreams made manifest.

First as Assistant to Educational Director and later as National Secretary of the Institute, he guided our course and charted our destiny for a generation. We, in company with many of the well known bankers of America today, pay him tribute and inscribe this brief testimonial in gratitude for a life of steadfast devotion, for all that he has meant to us, and for all that his inspiring example will mean to countless generations of young people in our banks.

So when a great man dies,
For years beyond our ken
The light he leaves behind him lies
Upon the paths of men.

The pathway of banking education stretching down the years, in its changing mosaic, will be illumined by the forceful personality of him whom we were privileged to know in this life as

RICHARD WILLIAM HILL.

APPENDIX I

Constitution of the American Institute of Bank Clerks

Adopted March 23, 1901

WE, the undersigned,—

William C. Cornwell,	Buffalo, N. Y.
Robert J. Lowry,	Atlanta, Ga.
Harvey J. Hollister,	Grand Rapids, Mich.
J. B. Finley,	Pittsburgh, Pa.
George F. Orde,	Chicago, Ill.
James G. Cannon,	New York, N. Y.
A. C. Anderson,	St. Paul, Minn.
H. L. Burrage,	Boston, Mass.
John F. Thompson,	New York, N. Y.

being desirous of forming an association under the name of the "American Institute of Bank Clerks," for the purpose of securing a fraternal union of persons of good moral character engaged in the business of banking, or connected therewith, who desire to improve themselves by a study of and training in the practice and science of banking and to co-operate with each other and with others interested in the same object in securing for all connected with the business of banking, including especially bank clerks, opportunities for such study and training, do hereby adopt the following as a Constitution for such association:—

First. The name of the association shall be American Institute of Bank Clerks.

Second. In order to accomplish the purpose of the Institute, its aim shall be:

1. To unite fraternally and socially, through local chapters or otherwise, all those engaged in different localities in the banking business or who intend to become connected with it, either as officers of banks, trust companies or savings banks, or as bankers, or as clerks of banks, trust companies, savings banks or banking houses, who desire to improve themselves by devoting a portion of their time to the study of the matters connected with the banking business.

2. To specially train all who become associated with the Institute in those branches of practical education which have a direct bearing upon the business of banking.

3. To originate and circulate literature relating to the practice and science of banking and of business administration.

4. To afford to those associated with the Institute the advantages of lectures upon business methods, the principles of banking, the science of finance, applied economics, commerce, accounts and other subjects of practical value to them.

5. To conduct for the benefit of those associated with the Institute a Correspondence School of Banking under the charge of a competent faculty.

6. To conduct examinations of bank clerks and others associated with the Institute, with respect to their technical qualifications, and to issue certificates setting forth the results of such examinations.

THIRD. The operations of the association may extend throughout America.

FOURTH. The principal office of the association shall be located in the City, County and State of New York.

FIFTH. The government of the Institute shall be vested in a Board of nine[1] Trustees, who shall be classified into three classes, the term of office of one of each of said classes shall expire each year beginning with the year 1902.

SIXTH. The names and places of residence of the persons to be its first Trustees with the years of expiration of their respective terms of office are as follows:—

Terms to expire March 1, 1904	
William C. Cornwell,	Buffalo, N. Y.
Harvey J. Hollister,	Grand Rapids, Mich.
Robert J. Lowry,	Atlanta, Ga.
Terms to expire March 1, 1903	
J. B. Finley,	Pittsburgh, Pa.
George F. Orde,	Chicago, Ill.
James G. Cannon,	New York, N. Y.
Terms to expire March 1, 1902	
John F. Thompson,	New York, N. Y.
A. C. Anderson,	St. Paul, Minn.
H. L. Burrage,	Boston, Mass.

[1]Increased to eleven by amendment, May 3, 1905; increased to fifteen by amendment, July 9, 1906

SEVENTH. The date for holding the annual meeting of the members of the Institute shall be the first Monday of March in each year, beginning with the first Monday of March 1902. At such annual meetings three[2] Trustees shall be elected in the places of the class whose terms of office shall then expire, to hold office for three years. Any vacancy in the Board then existing shall also be filled for the unexpired term. Each member of the Institute shall be entitled to one vote at such annual meetings, in person or by proxy. In order to constitute a quorum, at least one-third of the membership shall be represented in person or by proxy.

EIGHTH. There shall always be a President, Vice-President,[3] Treasurer and Secretary of the Institute elected by the Trustees and such other officers as shall be specified by the By-Laws of the Institute, or from time to time authorized by the Board of Trustees.

NINTH. There shall also be an Executive Committee appointed by the President and consisting, with himself, of not less than five members of the Board, who shall have charge of the details of management in accordance with the general policy of the Institute and the directions of the Board. The Board of Trustees may by vote authorize the Executive Committee to exercise the whole power of the Board of Trustees in intervals between the meetings of the Board.

For all purposes the business of the Board of Trustees, and also that of the Executive Committee, may be transacted by mail without the personal attendance of any absent Trustee or committee man. A manifold copy of any proposed measure may be sent to any Trustee or committee man by mail and may be returned by him, either approved or disapproved; and such approval or disapproval, when received by the Secretary or any other officer of the Institute, shall be given the same effect as if the Trustee or committee man were personally present and voted accordingly upon the measure thus submitted to him. In all matters submitted by mail to the Board or the Executive Committee, as the case may be, a majority vote shall be decisive.

At all meetings of the Board, five[4] members shall constitute a quorum, and at all meetings of the Executive Committee, three members shall constitute a quorum, but any absent member, whose approval or disapproval of any proposed action has been given by mail as aforesaid, shall be con-

[2]Increased to five by amendment, July 9, 1906

[3]The constitution originally did not provide for a vice president. This office was added by amendment, October 24, 1902.

[4]Increased to seven by amendment, July 9, 1906

sidered present for the purpose of constituting a quorum in respect to action upon such matters.

TENTH. Those persons who shall sign this Constitution before the first meeting of the Board of Trustees shall constitute the original membership of the association and shall remain full members thereof, except as hereinafter provided.

Other suitable persons engaged in the banking business or connected therewith may be from time to time elected by the Board of Trustees to a full membership in the Institute, but the membership of the Institute shall never exceed twenty-five members.

Only the original members and those elected as full members of the Institute shall have the power of voting at the annual or special meetings of the Institute.

ELEVENTH. The Board of Trustees may from time to time, by a majority vote, elect as contributing members of the Institute those who pledge themselves to contribute to the support of the Institute annually for a period of not less than three years. Contributing members shall be of four classes, as follows:—

Class A. Those who contribute $100. per year.
Class B. Those who contribute $ 50. per year.
Class C. Those who contribute $ 25. per year.
Class D. Those who contribute $ 10. per year.

In like manner, those who contribute not less than $500 at one time to the support of the Institute may be elected life members of the Institute.

In like manner, there may be elected as honorary members of the Institute individuals of conspicuous ability, superior attainments and devotion to the work of the Institute.

TWELFTH. The membership of any member of the Institute shall be terminated by his death or voluntary withdrawal. Such membership may also be terminated by a unanimous vote of the Board of Trustees. The right of any member to vote, and all his right, title and interest in and to the Institute and its property shall cease upon the termination of his membership.

THIRTEENTH. The Board of Trustees shall from time to time arrange for the organization of one or more local associations of bank clerks in localities where one or more banks or banking houses shall be situated, in affiliation with the Institute, which local associations shall be known as Chapters of the American Institute of Bank Clerks.

The Constitution or Articles of Association of such local institutions shall be in such general form as shall be prescribed by the Board of Trustees of the Institute, and a copy of such Constitution or Articles when executed, together with a list of the officers of the Association, shall be transmitted to the Secretary of the Institute.

Upon the approval of the Institute of any such organization, there may be issued to it, under regulations established by the Board of Trustees, a certificate executed under the corporate seal of the Institute and signed by the President and Secretary recognizing such association as a Chapter of the Institute under such number or designation as shall be named in such certificate.

Every member of a Chapter so affiliated with the Institute, upon complying with the requirements of the Institute, shall be known as an Associate of the Institute.

Each Chapter shall be in direct and regular communication with the officers of the Institute, and immediately after every election of officers shall send to the Secretary of the Institute a report of the names and addresses of the officers elected. There shall also be filed with the Secretary of the Institute a list of new members admitted to the Chapter, and he shall likewise be notified of all deaths, resignations, suspensions and expulsions of members. As often as once a year, each Chapter shall deposit with the Institute Secretary a correct list of the members of the Chapter, with their addresses.

No member may belong to more than one Chapter at the same time, but a transfer from one Chapter to another may be made by a card issued by the Secretary of the local Chapter from which the member withdraws to the Secretary of the Chapter which the member desires to join. Every transfer card so issued, to be effective, must be endorsed by the Secretary of the Institute before being deposited with the Chapter which the member desires to join.

FOURTEENTH. The officers of each Chapter shall consist of a Chairman, Recorder, Treasurer, and a Board of Governors composed of not less than three nor more than nine members.

Local Chapters shall be permitted to make their own By-Laws and manage their own affairs in any way not inconsistent with the By-Laws of the Institute, but a copy of every By-Law, governing resolutions, and other regulations of each Chapter must be filed with the Secretary of the Institute and certified as approved by him before becoming effective.

Every member of a Chapter must be of good moral character and possess a fair rudimentary education.

Every member of every local Chapter affiliated with the Institute shall, in lieu of dues to the Institute, be required to subscribe to the official Bulletin of the Institute.

All subscriptions to the Bulletin of the Institute shall be remitted directly to the Secretary of the Institute.

FIFTEENTH. The Board of Trustees may appoint a suitable person as Dean of the Faculty of the Institute. Such Dean, when appointed, shall formulate and present to the Board from time to time plans for the proper carrying out of the various educational features of the Institute.

SIXTEENTH. Provisional By-Laws of the Institute are signed by the subscribers to this Constitution contemporaneously with their signatures to the Constitution. The Board of Trustees shall have power from time to time to amend these By-Laws in the manner and to the extent therein provided.

SEVENTEENTH. For the first year, or until other officers are chosen by the Board of Trustees under the provisions of the By-Laws, the following named persons shall be the President, Treasurer, Secretary and Dean of the Institute, namely:—

President,	William C. Cornwell,
Treasurer,	James G. Cannon,
Secretary and Dean,	Anson O. Kittredge.

EIGHTEENTH. The Institute formed by this association may at any time become incorporated under any general or special charter granted by the Legislature of any of the United States or by the Regents of the University of the State of New York. The Board of Trustees are authorized to apply under advice of counsel for a charter as above provided, but no such charter shall be accepted by the Institute without the written consent of a majority of the full members of the Institute.

NINETEENTH. This Constitution may be altered or amended only by a majority vote of the full members of the Association, given in person or by proxy at any annual meeting of the Association, or at a special meeting called for the purpose, and only provided that such alteration or amendments shall have been submitted in writing to the Secretary of the Institute not less than one month prior to the date of such meeting, and by the Secretary transmitted to each member.

At any time before the first annual meeting of the members in March

1902, this Constitution may be altered, amended or abrogated by the written consent of all the surviving signers thereto, provided that such action is approved in writing by all the then members of the Board of Trustees or Directors of the Institute.

Dated		February	28,	1901	(Signed) William C. Cornwell
"	Chicago, Ill.,	March	4,	"	" George F. Orde
"	Pittsburgh, Pa.,	"	7,	"	" J. B. Finley
"	New York, N. Y.,	"	13,	"	" James G. Cannon
"	" " " "	"	13,	"	" J. F. Thompson
"	Atlanta, Ga.,	"	15,	"	" Robert J. Lowry
"	Boston, Mass.,	"	18,	"	" Harry L. Burrage
"	Grand Rapids, Mich.,	"	21,	"	" Harvey J. Hollister
"	St. Paul, Minn.,	"	23,	"	" Arthur C. Anderson

BY-LAWS

The following are adopted as the provisional By-Laws of the Institute subject to amendment from time to time by the Board of Trustees of the Institute, except as therein prescribed.

Article I. The annual meeting of the members of the Institute for the election of Trustees shall be held at the general office of the Institute in the City of New York on the first Monday of March in each year beginning with the year 1902. At each such annual meetings three[5] Trustees shall be elected by ballot to hold office for the term of three years to take the place of the like number whose terms then expire; and any vacancy in the Board then existing shall be filled in like manner for the unexpired term. The Board of Trustees may fill vacancies occurring in the interim until the next annual meeting.

Each member shall have one vote which may be cast in person or by proxy. The presence of one-third of the membership in person or by proxy shall constitute a quorum.

In case of a failure to hold an annual meeting, a special meeting shall be called to elect Trustees and the Trustees of the outgoing class shall remain in office until their successors are elected.

Special meetings may be called by the President or by one-third of the members on two weeks notice to each member, and shall be held at the general office in New York City.

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[5]Increased to five by amendment, July 9, 1906

ARTICLE II. The Board of Trustees of the Institute shall hold regular monthly meetings on the first Monday of each month at noon, at the general office of the Institute or at such other hour and place as the Board shall from time to time direct. Special meetings of the Board may be called by the President or by five members of the Board. Personal notice of any special meeting shall be given to every member of the Board.

There shall be appointed by the President, an Executive Committee consisting of five members of the Board, of which he shall be one, to which the Board may delegate all its powers.

Regular meetings of the Executive Committee shall be held at noon on Monday of each week. Special meetings may be called at any time by the President or by any two members of the Committee, on due notice to all the members of the Committee. The Committee shall keep full minutes of its meetings and proceedings, and such minutes shall be reported to the next meeting of the Board of Trustees.

ARTICLE III. The officers of the Institute shall be elected annually by the Board and shall consist of a President, Vice-President,[6] Treasurer, Secretary, Dean of the Faculty and such other officers as shall be determined by the Board of Trustees. The Secretary and Dean need not be members of the Board of Trustees and shall receive such salaries as shall be fixed by the Board.

The President shall preside at all meetings of the Board. He shall represent the interests of the Institute in all directions and shall have general supervision of the entire work of the organization. He shall countersign all checks made by the Treasurer on behalf of the Institute. He shall appoint all such standing and special committees as shall be found necessary by the Board. At each annual meeting he shall present a general report of the work of the Institute for the preceding year. He shall also perform such other duties as the law or the rules and usages of the Institute shall require or that the Board may prescribe.

The Secretary shall keep a complete record of the proceedings of the Board of Trustees and perform such other duties as the Board may prescribe.

The Treasurer shall perform the usual duties with which the office is charged.

The Dean shall perform the duties prescribed by the Constitution of the

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[6]Vice-President added by amendment, October 24, 1902

Institute and such further duties as shall be devolved upon him by vote of the Board.

Article IV. These By-Laws may be revised or amended in whole or in part by a majority vote of the Trustees at any regular meeting. They may also be so amended at any special meeting provided that notice of the proposed amendment has been given to each member of the Board together with the notice of the meeting.

Dated	February	28,	1901	(Signed)	William C. Cornwell
" Chicago, Ill.,	March	4,	"	"	George F. Orde
" Pittsburgh, Pa.,	"	7,	"	"	J. B. Finley
" New York, N. Y.,	"	13,	"	"	James G. Cannon
" " " " "	"	13,	"	"	J. F. Thompson
" Atlanta, Ga.,	"	15,	"	"	Robert J. Lowry
" Boston, Mass.,	"	18,	"	"	Harry L. Burrage
" Grand Rapids, Mich.,	"	21,	"	"	Harvey J. Hollister
" St. Paul, Minn.,	"	23,	"	"	Arthur C. Anderson

AMENDMENTS TO CONSTITUTION
(changes indicated by italics)

October 24, 1902

Eighth. There shall always be a President, *Vice-President,* Treasurer and Secretary of the Institute elected by the Trustees . . .

May 3, 1905

Fifth. The government of the Institute shall be vested in a Board of *eleven* Trustees, who shall be classified into three . . .

July 9, 1906

Fifth. The government of the Institute shall be vested in a Board of *fifteen* Trustees, who shall be classified into three . . .

Seventh. Second sentence amended to read: "At such annual meetings *five* Trustees shall be elected in the places of the class whose terms of office shall then expire, . . ."

Ninth. Third paragraph amended to read:

At all meetings of the Board, five members shall constitute a quorum, *so long as the Board consists of eleven members; but if the required number be increased to fifteen, then seven members shall constitute a quorum. At* all meetings of the Executive Committee, . . .

May 6, 1907

First. The name of the association shall be American Institute of *Banking.*

Tenth. Those persons who shall sign this constitution before the first meeting of the Board of Trustees shall constitute the original membership of the association and shall remain full members thereof except as hereinafter provided. Other suitable persons engaged in the banking business or connected therewith may be from time to time elected by the Board of Trustees to full membership in the Institute. Only the original members and those elected as full members of the Institute shall have the power of voting at the annual or special meetings of the Institute. *The annual dues of members shall be $5 a year except that the annual dues of members who are also chapter members shall be only $2 a year.*

AMENDMENTS TO BY-LAWS

(changes indicated by italics)

October 24, 1902

Article III. The officers of the Institute shall be elected annually by the Board and shall consist of a President, *Vice-President,* Treasurer, Secretary, Dean of the Faculty and such other officers . . .

July 9, 1906

Article I. Second sentence amended to read: "At each such annual meetings *five* Trustees shall be elected . . ."

APPENDIX II

Publicity Circular

Publicity Circular Setting Forth the Objects and Purposes of the American Institute of Bank Clerks, Together with Letter of Transmittal Dated March 12, 1901 and Application for Registration Form

To Bank Employees

THE American Institute of Bank Clerks has provided this comprehensive plan of education and offers it to the rank and file of bank employees at a nominal expenditure of their time and money. It is for them to make use of its facilities. The Trustees are convinced that a large majority of American bank clerks will be disposed to avail themselves of some of the courses of study offered if the matter is properly presented to them for attention.

Those who desire to pursue a systematic course of reading, and not attempt to master either of the required courses of study, will find what they want in the ***Bulletin,*** conducted by the Faculty and published by the Institute.

Nearly every banker, young or old, realizes some deficiencies in his technical or general education. All such can find among the courses of study provided an opportunity to repair their defects and round out their attainments.

To the credit of bank clerks generally it must be said that very few need any urging in the matter of self-improvement. Without aid or suggestion they have in many places organized local associations which have been of material benefit to the membership in increasing their technical knowledge and broadening and elevating their professional spirit.

It is suggested to bank officers and employees that they consider the plan and ambition of the Institute and select one of their number to enter into correspondence with the Secretary with the view of organizing a local Chapter and availing themselves of such courses of study as may best meet their requirements.

The Institute desires to cultivate its broad and fertile field as rapidly and thoroughly as possible.

The ***Bulletin,*** the first issue of which is now in preparation, will begin the active educational work of the Institute on the lines herein set forth.

All who require additional information are cordially invited to correspond with the Secretary, 25 Pine Street, New York.

American Institute of Bank Clerks

Trustees

WILLIAM C. CORNWELL, Buffalo, N.Y.
President City National Bank.

ROBERT J. LOWRY, Atlanta, Ga.
President Lowry National Bank.

HARVEY J. HOLLISTER, Grand Rapids, Mich.
Cashier Old National Bank.

J. B. FINLEY, Pittsburg, Pa.
President Fifth National Bank.

GEORGE F. ORDE, Chicago, Ill.
Cashier Northern Trust Co. Bank.

JAMES G. CANNON, New York, N.Y.
Vice-President Fourth National Bank.

A. C. ANDERSON, St. Paul, Minn.
Cashier St. Paul National Bank.

HARRY L. BURRAGE, Boston, Mass.
Vice-President Eliot National Bank.

JOHN F. THOMPSON, New York, N.Y.
Cashier Seaboard National Bank.

Officers

WILLIAM C. CORNWELL, President,
319 Main St., Buffalo, N.Y.

JAMES G. CANNON, Treasurer,
14 Nassau St., New York, N.Y.

A. O. KITTREDGE, Secretary,
25 Pine St., New York, N.Y.

Main Office:
Lancashire Building, 25 Pine Street
New York

Objects and Purposes of the Institute

Extract from the Constitution.

1. To unite fraternally and socially through local chapters or otherwise all those engaged in different localities in the banking business, or who intend to become connected with it, either as officers of banks, trust companies or savings banks, or as bankers, or as clerks of banks, trust companies, savings banks or banking houses, who desire to improve themselves by devoting a portion of their time to the study of the matters connected with the banking business.

2. To specially train all who become associated with the Institute in those branches of practical education which have a direct bearing upon the business of banking.

3. To originate and circulate literature relating to the practice and science of banking and of business administration.

4. To afford to those associated with the Institute the advantages of lectures upon business methods, the principles of banking, the science of finance, applied economics, commerce, accounts and other subjects of practical value to them.

5. To conduct for the benefit of those associated with the Institute a Correspondence School of Banking, under the charge of a competent faculty.

6. To conduct examinations of bank clerks and others associated with the Institute with respect to their technical qualifications, and to issue certificates setting forth the results of such examinations.

Institute Chapters.

The constitution of the American Institute of Bank Clerks provides that local Chapters may be established wherever there are enough bank clerks desiring such association for mutual improvement to warrant it. Every member of a Chapter becomes an Associate of the Institute. The Chapters will be chartered.

Each Chapter is permitted to make its own by-laws and administer its own affairs in any way it chooses, as long as they do not conflict with the constitution of the Institute. A model set of by-laws has been prepared and will be forwarded to any one desiring to examine the same, upon application to the Secretary, at 25 Pine Street, New York.

The Chapters, under the general supervision of the officers of the Institute, will conduct lecture courses, engage in debates and discussions, maintain reading circles, and do various other things educational in character, and calculated to be entertaining while also valuable.

Practical Education for Bank Clerks.

The educational opportunities afforded by the American Institute of Bank Clerks include the following:—

ASSOCIATION IN LOCAL CHAPTERS, chartered by the Institute, for the purpose of lectures, debates, reading circles, investigations of special subjects, entertainments, social intercourse, etc. The members of local Chapters become Associates of the Institute. All Chapter work will be under the supervision of the officers of the Institute.

The BULLETIN OF THE AMERICAN INSTITUTE OF BANK CLERKS, a periodical (free from all advertising) through which much of the instruction and Chapter work will be conducted. It will answer the practical questions proposed by Associates and students. It will also present outlines of reading courses, suggestions of subjects for debates or discussion at Chapter meetings, reports of University and other lectures on banking topics, special articles by eminent financiers and economic writers, examination questions, announcements and the general news of the Institute and local Chapters. The BULLETIN will be issued semi-monthly.

CORRESPONDENCE INSTRUCTION in various branches so organized and arranged as to make up the deficiencies in primary education while also rounding out and completing the equipment for practical work. The courses, more particularly described upon another page, are so graded as to meet the requirements of all, from the clerk who needs help in penmanship, spelling and grammar, up to those who are in position to take up commercial law and finance.

The charges have been graded in such a way as to make no one pay for what he does not get or does not want. The right of selection is conceded to all. Furthermore, the prices have been fixed upon an unprecedentedly low scale, and are within the reach of all. The terms have been so arranged as to enable the student to pay as he goes along, if he is unable to pay in advance. Time is unlimited in all the courses. One clerk may occupy three months in a given course, and another a year on the same work. The cost is the same to both. Certificates will be issued—not on the basis of time spent in study—but in the light of the actual advancement made. A student may be entered for more than one course at the same time.

The Faculty of the American Institute of Bank Clerks now in course of selection includes educators and financiers of established reputation and acknowledged ability. There will be professors of banking and finance, bank practice, theoretical accounting, commercial law, mathematics, English literature, political economy, history, rhetoric, double entry bookkeeping, geography and English grammar, shorthand, typewriting and penmanship.

Under the supervision of the Faculty, there will be instructors in practical banking, bank arithmetic, double entry bookkeeping, composition and rhetoric, correspondence, shorthand, typewriting, commercial law, government, finance, political economy, geography, history, English grammar, spelling and penmanship.

Correspondence School of Banking.

Banking is a complex subject. The practical equipment of a banker comprises everything there is in an ordinary education, and in addition various matters that are special to his requirements. To meet the needs of bank clerks, therefore, it is necessary to furnish that which will enable them to supply the defects in their elementary education, as well as to carry themselves forward in their chosen calling. The Correspondence School of Banking has been organized in a broad and comprehensive way, but wholly along practical lines, and is adapted to supply whatever the individual may demand. The courses of study will ultimately embrace everything that can be of advantage to the average clerk in qualifying himself for the higher responsibilities of banking. At the outset they will embody lessons, examinations and certificates of improvement and proficiency in the following:—

1. Penmanship.
2. Spelling.
3. English Grammar.
4. Composition and Rhetoric.
5. Business Correspondence.
6. Shorthand.
7. Typewriting.
8. Commercial Geography.
9. Financial and Commercial History.
10. Bank Arithmetic.
11. Double Entry Bookkeeping.
12. Bank Bookkeeping.
13. Practical Banking.
14. Commercial Law.
15. Government.
16. Practical Finance.

In a circular no more than mere suggestions of what the several courses cover can be offered. All of them are divested of non-essentials and every one has been arranged to meet the ascertained wants of the employees of banks and kindred institutions.

1. Penmanship.

Directions for self-instruction—Methods of practice—Materials—Positions—Principles of letter formation—Small letters—Capital letters—Graded lessons.

2. Spelling.

Spelling rules and illustrations—Familiar words—Words of similar meaning—Words of opposite meaning—Words agreeing in sound—Words liable to be confounded—Names of States and Territories—Common abbreviations.

3. English Grammar.

Definitions—Sentence building—Parts of speech—Punctuation—Capitalization—Analysis of sentences—Parts of speech subdivided—Common errors pointed out.

4. Composition and Rhetoric.

Practical drill in the preparation of various documents connected with banking and general business, including the following: Business letters—Report of a Committee—A set of resolutions—Report of an investigation—Short account of a business meeting for publication—An address advocating a business or financial measure—An after-dinner address—By-laws of a company or association—Annual report of a bank or business concern.

5. Business Correspondence.

Letter Writing — Definitions — Materials — Parts of a letter—Folding—Inserting—Sealing—Addressing the envelope—General style—Choice of words—Letters for different purposes.

Letter Copying—Presses and their adjuncts—Carbon duplicates—Roller copiers—Indexing.

Opening the Mail—Recording contents—Disposition of contents—Telegrams and cablegrams—Cypher messages—Circulars and advertisements.

Letter Filing—Choice of systems—The alphabetical plan—The numerical plan—The "preferred" plan—Horizontal files—Vertical files—Transfers—Destroying accumulations—Classification—Auxiliary indexes.

6. Shorthand.

Scientific principles—Nomenclature—Phonetics—The alphabet—Group signs—Contractions—Word signs—Dictation exercises—Correspondence—Paper and pencil expedients—Speed practice—Phrasing—Special adaptation.

7. Typewriting.

Machines described and classified—Key boards illustrated and explained—Choosing a good machine—Caring for a machine—Tables and cabinets—Paper—Carbon—Ribbons—Style of typewritten work—Legal forms—The eye method of using keyboard—The touch method—Speed practice—Taking dictation on the machine.

8. Commercial Geography.

Development of earth forms—Distribution of natural wealth—Channels of trade and commerce—History of their development and decadence—Future prospects—Modern routes of domestic and foreign commerce—Oceans—Lakes—Rivers—Canals—Railways —Climatic influences—Political encouragements and barriers.

9. Financial and Commercial History.

Important events of the world's history bearing directly upon finance, commerce and industrial development—The business history of the United States, England, France, Germany, etc., with brief attention to their leading industries—History of inventions and arts which have influenced economic activities.

10. Bank Arithmetic.

The fundamental principles of the science of numbers with special attention given to fractions and decimals and practical illustrations of their uses—United States money—Denominate numbers—Percentage—Commission—Brokerage—Interest — Discount — Partial payments—Domestic and foreign exchange—Equation of payments—Averaging accounts—Metric system.

11. Double Entry Bookkeeping.

The principles of debit and credit—Bookkeeping terms defined—Posting mediums—Books of original entry—Forms of the ledger—Opening a set of books—Closing a set of books—The profit and loss statement—The balance sheet—Adaptations to special requirements—The day book—The sales book—The cash book—The journal—The notes receivable book—The notes payable book—Modern substitutes for these original types—Practical exercises in ruling blanks and forms—Classification of accounts—The trial balance with a consideration of its uses and abuses—Inventorying.

12. Bank Bookkeeping.

General accounts—Statements of condition—The profit and loss statement—Individual ledgers—Balance

books—Deposit tickets—Checks—Certificates of deposit—Receiving teller—Paying teller—Runner or messenger—Clearing-house items—Collection department—Loan department—Stocks and bonds—Foreign exchange.

13. Practical Banking.

What a bank is—Kinds of banks—Banks of deposit—Banks of issue—Savings banks—Trust companies—Building and loan associations—Organizations of banks—State laws—National law—Special charters—Administration of banks—Departments—Officers—Duties of officers and employees—Bank accounting—Distinction between accounting and bookkeeping—The object in view—adapting the scheme to the end—Money—Checks—Drafts — Notes — Collateral — Reserves—Surplus—Dividends—Bank examinations.

14. Commercial Law.

Underlying principles of business law—Common and statutory law governing contracts, agencies and partnerships—Corporations—How formed—How governed—Leading features of corporation law in the various states—Personal property and real estate—Rights and duties of parties to commercial paper—Bills—Checks—Drafts—Notes—Duties of administrators, executors, guardians, trustees, assignees, receivers, etc.—Legal forms.

15. Government.

Civil government in the United States—Historical survey of the several different political periods from the financial and commercial point of view—The relationship of government to business interests—Evolution of government from the primitive condition of mankind—How and why governments rise and fall—Limitations of the power and duties of the state.

16. Practical Finance.

Money—Credit—Banking exchanges—Coinage—Currency—Loans of the United States and other countries from the viewpoint of the investor—Government revenues and disbursements—Debts—Taxation—Financial and economic legislation—Theories of finance.

Associates, Students and Subscribers.

Those who avail themselves of the advantages of the American Institute of Bank Clerks will be of three general classes, as follows:—

ASSOCIATES—meaning those who are members of local Chapters.

STUDENTS—meaning those who are taking one or more of the correspondence courses of study.

SUBSCRIBERS—meaning those who are subscribers to the BULLETIN OF THE AMERICAN INSTITUTE OF BANK CLERKS.

Associates and students are required to be of good moral character, and directly or indirectly connected with banking institutions. They are required to be subscribers to the BULLETIN because it contributes in a very important degree to the work upon which they engage.

Associates may or may not be students.

Students may or may not be associates.

Subscriptions to the BULLETIN will be received from those who are neither associates nor students.

Registration and Examination.

Students may register for one or more of the courses of study. Several courses may be taken simultaneously if desired.

The student's fitness to pursue the course selected will be determined by a preliminary examination. If by chance this examination reveals the need of work more elementary in character as a foundation, he will be officially advised of the fact, but there will be no compulsion.

A certificate of proficiency will in no case be issued save only when the final examination shows that the student is fairly entitled to it. Those who fail in the final examination will be urged to go over the study course again. The time is unlimited, and there is no extra charge for review.

Each student will be requested to complete at least one section of his work every three months, but he will be welcome to more time if he requires it. On the other hand, he may proceed as rapidly as his industry and self denial make possible.

The course of study in all the branches will be sectionalized, and the examination questions arranged accordingly. The several sections in each course will be forwarded one at a time, as the preceding sections are mastered.

On the occasion of each examination the student will be invited to file therewith such specimens and exhibits as are appropriate.

Fees and Dues.

The schedule of fees and dues has been devised with a view to meeting every requirement and every condition of purse.

REGISTRATION FEE—In each and every course (time unlimited), $1; always payable in advance.

COURSES OF STUDY—Preliminary examination, all necessary lesson papers, progressive examinations, final examination and award of certificate of improvement and proficiency (time unlimited), as follows:—

1 Penmanship, 2 Spelling, 3 English Grammar, each	$4.00
4 Composition and Rhetoric, 5 Business Correspondence, 6 Shorthand, 7 Typewriting, 8 Commercial Geography, 9 Financial and Commercial History, 10 Bank Arithmetic, each	8.00
11 Double Entry Bookeeping, 12 Bank Bookkeeping, 13 Practical Banking, 14 Commercial Law, each	12.00
15 Government, 16 Finance, each	20.00

Payable in quarterly instalments, in advance. Those who pay in full in advance may omit the registration fee.

SUBSCRIPTIONS TO THE BULLETIN—To any address in the United States Canada or Mexico (foreign subscribers other than those in Canada and Mexico pay extra postage) payable in advance. $2 a year.

The paper will be stopped at the expiration of the term of subscription.

Remit by post-office or express order, or exchange in New York, to the order of the American Institute of Bank Clerks. Currency and postage stamps in unregistered mail will be at the sender's risk.

WILLIAM C. CORNWELL, PRESIDENT,
319 Main Street, Buffalo.

JAMES G. CANNON, TREASURER,
14 Nassau Street, New York.

A. O. KITTREDGE, SECRETARY,
25 Pine Street, New York.

American Institute of Bank Clerks

Trustees

WILLIAM C. CORNWELL, Buffalo, N. Y., President City National Bank.
ROBERT J. LOWRY, Atlanta, Ga., President Lowry National Bank.
HARVEY J. HOLLISTER, Grand Rapids, Mich., Cashier Old National Bank.
J. B. FINLEY, Pittsburg, Pa., President Fifth National Bank.
GEORGE F. ORDE, Chicago, Ill., Cashier Northern Trust Company Bank.
JAMES G. CANNON, New York, N. Y., Vice-President Fourth National Bank.
A. C. ANDERSON, St. Paul, Minn., Cashier St. Paul National Bank.
HARRY L. BURRAGE, Boston, Mass., Vice-President Eliot National Bank.
JOHN F. THOMPSON, New York, N.Y., Cashier Seaboard National Bank.

General Office

Twenty-five Pine Street

New York, March 12,1901

TO THE CASHIER:

Enclosed please find copies of the circular issued by the American Institute of Bank Clerks, which has been organized in pursuance of the resolution passed at the convention of the American Bankers Association, held at Richmond last fall, and which instructed the Committee on Education to proceed with the work.

The circular contains full particulars of the educational opportunities offered by the Institute to bank employees, and it is our earnest hope that you will bring it to the attention of every one of your people.

As many additional copies as are required are at your service, if you will kindly apply for them, addressing the Secretary of the Institute, 25 Pine Street, New York.

In view of the appropriation made by the American Bankers Association, for the purpose of getting the Institute established and under way, it has been decided to discount the prices of the courses of study 50 per cent. to all bank employees who register and pay prior to July 1, 1901. Please make this fact known to your clerks.

Bespeaking your cordial co-operation in what we believe is an effort likely to benefit the business of banking everywhere, we remain,

Yours truly,

W C Cornwell

Chairman Committee on Education
American Bankers Association.

Application for Registration

AMERICAN INSTITUTE OF BANK CLERKS, 25 PINE STREET, NEW YORK, N. Y.

Gentlemen:—I herewith apply for registration as a student in the Correspondence School of Banking, and pledge myself to an amount of study equal at least to ..... hours per week. I submit outline of personal history as follows:—

Place and date of birth .....

Present position .....

Previous employment .....

Attendance at school .....

I have covered ground in studies as follows .....

.....

I have read the following books on banking and kindred subjects .....

.....

The courses of study that I wish at present to pursue are .....

.....

INTRODUCTORY RATES

I enclose ....., covering registration fee, subscription to the Bulletin of the American Institute of Bank Clerks, and introductory fees for the courses of study selected.

References:

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APPENDIX III

Articles of Association

SUGGESTED FOR CHAPTERS

Article I.—Organization and Name

This Association is organized under the name of the "_____ Chapter of the American Institute of Bank Clerks," to be effective whenever these articles of association shall have been certified by the Secretary of the Institute.

Article II.—Objects of This Chapter

The objects of this Chapter are to carry out the purposes of the American Institute of Bank Clerks, among which are the following:—

1. To unite fraternally and socially all persons of good moral character who are engaged in the banking business, or who intend to become connected with it, and who desire to improve their positions by devoting a portion of their time to study.

2. To specially train its members in those branches of practical education which have a direct bearing upon the business of banking.

3. To originate and circulate literature relating to the art and science of banking and business administration.

4. To afford its members the advantages of lectures on business methods, the principles of banking, the science of finance, applied economics, commerce, accounts and other subjects of practical value to them.

Article III.—Government

1. The government of this Chapter shall be vested in a Board of Governors, consisting of_____members in good standing, to be elected annually, who shall act upon all applications for membership, and shall manage and conduct the general business affairs of the Chapter. They shall meet at such times and places as the business interests of the Chapter may require, and shall so conduct their deliberations that the routine work of the Chapter shall not be interrupted thereby.

2. The Board of Governors shall choose the officers of the Chapter from their own number at the first regular meeting of the Board of Governors after the annual election, and shall fill any vacancies occurring among their number until the next regular election, when such vacancies shall be filled by the Chapter.

3. The officers of this Chapter shall consist of a Chairman, Vice-chairman, Treasurer and Recorder, who shall serve for one year, or until their successors shall be elected.

4. It shall be the duty of the Chairman to preside over all the meetings of the Chapter, and also of the meetings of the Board of Governors, and in general to discharge the duties usually pertaining to the office. In the event of absence, disability, resignation or death of the Chairman, his powers and duties shall be discharged by the Vice-chairman, and in the event of the absence or disability of both the Chairman and Vice-chairman, the Board of Governors shall designate one of their body to act as Chairman pro tem, or until the expiration of the term of the Chairman, as the case may be.

5. It shall be the duty of the Recorder to keep true and correct minutes of all the meetings of the Chapter, and also of the meetings of the Board of Governors; to maintain regular correspondence with the Secretary of the American Institute of Bank Clerks, and to make such reports to the said Secretary as are required. He shall have custody of all the books and papers of the Chapter. He shall do whatever may be ordered by the Board of Governors, and in general perform the duties usually pertaining to the office. Pursuant to the requirements of the Institute, a list of the Board of Governors, officers and members of the Chapter, with their addresses, shall be transmitted by the Recorder to the Secretary of the Institute annually, and whenever required. He shall also transmit to the Secretary of the Institute the names and addresses of new members admitted to the Chapter, and also of all deaths, resignations, suspensions and expulsions of members. He shall also transmit to the Secretary a copy of the by-laws and other regulations of the Chapter, and of all amendments thereof made from time to time.

6. The Treasurer shall have charge of the funds of the Chapter. He shall receipt to the members for Chapter dues. He shall deposit the funds of the Chapter in such bank or trust company as may be ordered by the Board of Governors. He shall from time to time submit a statement of the financial condition of the Chapter, and make such other reports with respect to the financial affairs of the Chapter as the Board of Governors may require.

Article IV.—Membership

1. Every employee of a bank, trust company or banking-house, who is of good moral character and possesses a fair rudimentary education shall be

eligible to membership, and shall become a member upon his own application, when elected by the Board of Governors.

2. Members of other Chapters of the American Institute of Bank Clerks presenting and depositing with this Chapter a card issued by the Recorder of the Chapter of which they are members duly endorsed by the Secretary of the American Institute of Bank Clerks, shall thereupon become members of this Chapter. Upon application the officers of this Chapter shall issue to any member in good standing a card of dismissal and introduction to any other Chapter with which he may wish to affiliate.

3. Any member may be expelled for conduct unbecoming a gentleman, by a majority vote of all the Board of Governors, after having been given ten days notice and an opportunity to be heard by the Board of Governors in his own defence.

Article V.—Dues

1. Each member shall pay dues to this Chapter amounting to $_____ per year, payable quarterly in advance. In order to qualify each member of this Chapter as an Associate of the American Institute of Bank Clerks, and to entitle him as such Associate to the privileges of this Chapter, he is required to subscribe to the official publication of the American Institute of Bank Clerks, known as the "Bulletin."

2. No member shall be considered in good standing in this Chapter, or remain an Associate of the Institute, who fails to pay his dues or maintain his subscription to the Bulletin. Those members who are in arrears for dues to the Chapter, without satisfactory explanation and excuse therefor, or provision for future payment, will be denied the privileges of the Institute, including official communications and other matters distributed from the Chapter or the Institute's headquarters.

3. All dues begin with the first of the quarter in which the member is elected.

Article VI.—Meetings

1. The annual meeting of this Chapter for the election of members of the Board of Governors to supply the places of those whose terms of office expire or whose places shall then be vacant, and for such other business as may be brought before it, shall be held in_____ of each year, or at such other time as may be fixed by resolution of the Chapter. Special meetings of the members may also be called by the Chairman, or the Board of Governors, or by a majority vote of the members of the Chapter. At all

meetings of the Chapter ..... members in good standing, as shown by the records of the Recorder and Treasurer, shall constitute a quorum.

2. Meetings of the Chapter shall be held ....., and at such other times as may be fixed by resolution of the Chapter or a vote of the Board of Governors.

3. Special meetings of the Chapter, of a public character, for the purpose of lectures and other entertainments, shall be held as appointed by the Board of Governors.

Article VII.—Committees

The Board of Governors shall appoint committees as follows:—

1. Ways and Means Committee, consisting of ..... members, whose duty it shall be to secure lecturers, arrange discussions and debates among members, provide suitable place or places of meeting and report upon suggestions from members and others.

2. Advisory Committee, composed of ..... members, who shall be selected from the executive officers of local banks, conspicuous for their interest in the welfare of the Institute and general educational work among bank employees.

3. Finance Committee, composed of ..... members, whose duty it shall be to pass upon and audit all bills.

Article VIII.—Amendments

1. These Articles of Association and such governing resolutions as may be adopted thereunder may be amended either by a unanimous vote of the Board of Governors, or by a majority vote thereof, provided that three days' written notice of the intention to move for the proposed amendment has been given to each member of the Board of Governors; or by a two-thirds vote of a quorum at any annual or special meeting of the members of the Chapter, provided that notice of a motion for the proposed alteration shall have been filed with the Recorder of the Chapter not later than one month previous to such a meeting of the members. Such amendment shall become effective only after the same shall have been certified by the Secretary of the Institute.

APPENDIX IV

Suggested Plan

Suggested Plan for the Establishment of an Organization to Take Over the Management of the American Institute of Bank Clerks (prepared by chapter chairmen February 23, 1903 and submitted to the members of the Institute at a meeting on August 21, 1903)

Name

American Bankers Institute.

Membership

Active: Consisting of members of local Chapters.

Associate: Consisting of bank clerks or bank officials connected with banks, banking institutions or private bankers whose residence or place of business is not located within a radius of 20 miles from any local Chapter headquarters.

Subscribing: Consisting of Banking Institutions, senior bank officials, prominent bankers and financiers who are interested in the objects of the Institute and who desire to contribute to its support.

Revenue

Each Active Member must subscribe to the official publication of the Institute at the rate of $1.00 per year, which subscriptions must be paid by the local Chapter of which they are members.

Each Associate Member must subscribe to the official publication of the Institute, at the rate of $2.00 per year, payable in advance direct to the National Association.

Each Subscribing Member must subscribe to the official publication of the Institute at the rate of $10.00 per year, payable in advance direct to the National Association.

Officers

President; three Vice-Presidents; Secretary-Treasurer.

The President and Vice-Presidents must be active members, and all officers must be elected by the Board of Trustees.

Government

BOARD OF TRUSTEES:

Consisting of one member elected by each local Chapter, but not more than one from any one Chapter at any one time. Each member of the Board

to serve three (3) years, and the periods of service so arranged by the first board elected as to make the terms of 33 1-3 per cent of the members of such Board expire each year.

ADVISORY COMMITTEE:

Consisting of three (3) members of the American Bankers Association to be appointed by that body each year.

Permanent Office

Located in New York City, New York, under the management of the Secretary-Treasurer.

A Bulletin

To be issued each month from the main office by the Secretary-Treasurer as editor; same to be 64 page, magazine size, good quality of paper and print, with substantial cover, and contain a greater variety of and more selected material than the present "Bulletin."

Secretary-Treasurer

To be a competent man on a salary of $2,500. One able to edit the Bulletin, a good organizer, a fluent and convincing talker.

Such officer to travel about from time to time to consult Chapter officers or Trustees, address Chapters and organize new ones.

He shall also be able to encourage and take part in discussions and debates on various topics from time to time. In other words, he shall be a man qualified to keep the organization alive and awake at all times.

He must be able to furnish good and sufficient bonds.

NOTE:

If it could be arranged so that four or five of the studies now being conducted in the Correspondence School, including Practical Finance, Commercial Law, Commercial Arithmetic, be conducted openly through the Bulletin, it would prove a more valuable feature, perhaps, and add to the interest in the paper.

It would not be necessary to promise examination in the studies so furnished, but should any readers desire examinations, they could be charged for as an extra item and prove an additional source of revenue.

Estimated amount required in cash to start organization on a sound footing:

Equipment of office	$ 500
Salaries, books, ready cash, etc.	2,000
Traveling expenses	500
	$3,000

Estimated expenses and income first year.

INCOME

4,000 Active members, $1 each (present number)	$ 4,000
2,000 Associate members, $2 each (present number)	4,000
500 Subscribing members, $10 (estimated)	5,000
	$13,000

EXPENSES

Office rent	$ 500	
Salary of Secretary-Treasurer	2,500	
Salary of Stenographer	900	
Traveling expenses	500	
Telephone	75	
Postage of office	600	
Printing circulars, stationery and supplies	1,000	
Sundries	1,000	
Printing and circulating 7,000 copies of Bulletin	5,000	12,075
Credit balance		$ 925

APPENDIX V

Constitution and By-Laws

Constitution and By-Laws of the Associated Chapters of the American Institute of Bank Clerks (adopted by the convention of chapters at Atlantic City, New Jersey, September 8, 1906)

DECLARATION

In order to encourage and promote the efficiency and general welfare of the bank men of America and secure the practical benefits to be derived from personal acquaintance and from the discussion of subjects of interest and importance, we, the regularly constituted delegates in convention assembled, do hereby ordain and establish this constitution of the Associated Chapters of the American Institute of Bank Clerks subject to ratification by a majority of all the chapters.

CONSTITUTION

Article I.—Organization

The name of this organization shall be the Associated Chapters of the American Institute of Bank Clerks.

The provisions pertaining to the management of this organization, as hereinafter prescribed, shall be subject to the approval of the trustees of the Institute.

Article II.—Membership

Section 1.—The membership in this organization shall be composed of the regularly constituted local chapters of the American Institute of Bank Clerks which have complied with the requirements of the constitution and by-laws hereinafter prescribed.

Article III.—Administration

Section 1.—The officers of this organization shall be a president, vice-president, recorder and a treasurer, who, together with one member elected from each of five groups of chapters, as provided for in the by-laws, shall constitute a national executive committee, which shall be charged with the general administration of the organization.

The president, vice-president, recorder, treasurer and the additional five members of the committee shall be elected for the term of one year, and

shall serve until their successors are duly elected and qualified, and no president or vice-president shall be eligible to re-election. No member of any chapter who is an officer of any bank or banking institution shall be eligible to election or re-election to office in this association.

Section 2.—In the event of the disqualification of any officer or member of the national executive committee by his local chapter for any reason whatever, the resignation of such officer or committee member shall at once become operative.

Section 3.—The president shall preside at all meetings of the national executive committee, and of the convention, and shall perform such other duties as are usual to his office. The vice-president shall act in the absence of the president or in case of his incapacity.

The recorder shall make and keep a complete, accurate record of all proceedings of the national executive committee, and of annual conventions, and shall promptly convey all communications of the national executive committee to all local chapters, and also such other information as their welfare may demand. He shall present an annual report of the affairs of the organization at every convention and shall have the custody of all official documents.

The treasurer shall collect and account for all moneys owing to the organization and shall disburse the same by authority of an annual convention or the national executive committee on vouchers approved by the president and recorder. He shall give a bond of indemnity for the faithful performance of his duties in a sum not less than five thousand dollars ($5,000), which bond shall be issued by a reputable surety company approved by the national executive committee and paid for out of the funds of the association. He shall make an annual report of the receipts and disbursements at every convention and print the same in the official publication of the Institute.

Section 4.—A committee composed of the president and two members of the national executive committee chosen by him, and other than the recorder and treasurer, shall examine and audit at least once a year the records and accounts of the recorder and treasurer, and shall report their findings to the following convention.

Section 5.—The national executive committee, in the exercise of its functions, shall arrange for an annual convention and such special meetings of its own body as it may deem necessary; shall appoint sub-committees for special purposes, provided that any expense incurred by a special committee

shall not exceed an appropriation to be made for that purpose by the national executive committee.

Section 6.—A meeting of the national executive committee shall be held immediately after every convention, and at any time upon the call of the president signed by two of its members or upon a call signed by any four of its members; provided that notice of any meeting so called shall be mailed by the recorder to every member of the national executive committee at least two weeks before the date thereof, and the call shall specify the objects of the meeting and only those subjects shall be voted upon.

A quorum for the transaction of business shall consist of five members of the committee who shall be present in person or by proxy; provided that at least three of them must be present in person; that proxies may be voted; that votes by mail shall be legal and counted, and: Provided further that the affirmative vote of at least five members of the committee shall be necessary to make any expenditure of money or pass any resolution. The national executive committee shall fill any vacancy, either in office or its membership, provided that such appointment shall continue only until the next annual convention.

Article IV.—National Educational Committee

This committee shall consist of five members, to be appointed by the president annually, one to represent each group of chapters. They shall report their proceedings to the annual convention of the association and shall act in conjunction with the trustees of the A.I.B.C. in promoting the general educational features of the Institute. They shall serve until their successors are duly appointed and qualified.

Article V.—Delegates

Section 1.—Every local chapter of the Institute shall be entitled to one delegate-at-large in the annual convention. They shall also be entitled to one delegate for every twenty-five members or fractional part thereof in such chapter.

Section 2.—Every delegate shall be entitled to one vote in convention, provided it is not in conflict with the constitution or by-laws of this association, nor with the rules of any convention, and every chapter delegation shall be entitled to cast the entire number of votes to which the chapter is entitled.

All votes shall be viva voce, unless otherwise ordered by the convention,

and a division of the house shall be granted upon the request of three delegates. Votes upon a division shall be taken by roll call of the chapter.

Section 3.—No local chapter shall be entitled to representation in any convention which shall not have paid in full all dues owing to the organization, and representation shall be given to it according to reports of membership made to the recorder and payments made to the treasurer not less than thirty days before the first day of the convention.

Article VI.—Convention

Section 1.—The convention shall prescribe special rules for its conduct; shall pass upon the credentials of all delegates. It may demand and shall receive the records, accounts or reports of any officer or committee. It may impeach, try and remove from office any officer or member of any committee of the organization; provided that if such officer or member of any committee shall not be present nor defend himself, the convention shall appoint some one to represent him. It shall make, amend and repeal any by-laws by a two-thirds vote of all delegates accredited to any convention.

Article VII.—Finances

Section 1.—Every local chapter of the American Institute of Bank Clerks, having subscribed to the association, shall pay annually to the national treasurer for every member thereof a per capita tax of ten cents, to be used for the general expenses of the association. No expense shall be incurred by the national executive committee unless funds are available to pay for the same, and all funds shall be expended for the purposes of the association and not for any local chapter.

Article VIII.—Amendments

Section 1.—This constitution may be amended by a two-thirds referendum vote of all local chapters, every chapter being entitled to as many votes as it had accredited delegates in the preceding convention: Provided that all votes of any one chapter must be cast in solido.

Section 2.—Amendments may be proposed in any convention or by any five local chapters at any time and it shall be the duty of the recorder to notify every chapter of such proposed amendment within thirty days after the same shall have been properly filed with him, and all chapters shall act and report to the recorder upon it within four months from the time of such filing, or their votes shall be cast against the amendment by the recorder.

BY-LAWS

1st.—For the purpose of elections the chapters shall be divided into groups as follows:

Group 1.—Atlantic City, Atlanta, Baltimore, Washington, Philadelphia, Norfolk, Richmond.

Group 2.—New York, Brooklyn, Hartford, Providence, Sherbrooke, Springfield, Mass., Scranton.

Group 3.—Pittsburgh, Columbus, Buffalo, Cincinnati, Cleveland, Detroit, Rochester, Indianapolis.

Group 4.—Chicago, Decatur, Des Moines, Fond du Lac, Head of the Lakes, Milwaukee, Minneapolis, Oshkosh, Peoria, St. Paul, Springfield, Ill.

Group 5.—St. Louis, Kansas City, Little Rock, Pine Bluff, New Orleans, San Francisco, Los Angeles, Seattle, Salt Lake City.

2d.—Questions of parliamentary procedure shall be decided according to Robert's Rules of Order.

3d.—The national executive committee shall, after their adoption, publish and distribute the constitution and by-laws among the chapters.

4th.—The recorder shall transmit a copy of this constitution to the secretary of every chapter within thirty days of the adjournment of the convention; each chapter shall be entitled to one vote, if it is not cast for or against the adoption of this constitution on or before December 1, 1906, should be voted for it.

5th.—Order of the day.

APPENDIX VI

Constitution and By-Laws of the American Institute of Banking

Adopted at the Providence Convention, July 23, 1908

CONSTITUTION

Article I.

This association shall be called the American Institute of Banking.

Article II.

Its objects are to afford opportunities for the acquisition of a knowledge of the theory and practice of banking and to promote fraternal and social relations among its members.

Article III.

Membership of the Institute shall consist of two classes, Fellows and Chapters.

Fellows shall consist of present national members and such others as the executive council, hereinafter provided, shall elect, subject to the following qualifications:

(a) Bank officers who are interested in the work and aims of this Institute.

(b) Chapter members who shall have been president or vice-president of the Institute or chapter conventions.

(c) Chapter members who shall have been president of their chapters.

(d) And such members who shall have passed the prescribed examinations of the Institute.

Provided that not more than fifty Fellows shall be elected the first year and not more than twenty-five each succeeding year.

Chapters shall consist of the present members of the Associated Chapters and such other chapters as may be admitted to membership by the executive council.

Article IV.

Individual members of chapters shall subscribe to the official publication through their respective chapter treasurers at the rate of one dollar a year.

The dues of Fellows shall be five dollars a year, except that the dues of Fellows who are also chapter members shall be two dollars a year.

Article V.

The Institute shall hold an annual convention at such time and place as may be from year to year determined, in which convention each chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large. Fellows in attendance shall be entitled to one vote each on all questions except the election of chapter members of the executive council.

Article VI.

The officers of the Institute shall be a president, vice-president, secretary and treasurer, who shall be elected by the Institute in convention from members not bank officers, to serve for the term of one year each or until their successors are elected and qualified. The president and vice-president shall not be eligible to re-election to their respective offices.

Article VII.

Section 1.—The government of the Institute shall be vested in an executive council of fifteen members. The president and vice-president, ex officio, seven members to be elected by the chapters in convention from members, not bank officers, so classified that the terms of three shall expire at the end of one year; two members whose terms shall expire at the end of two years; two members whose terms shall expire at the end of three years; and their successors to be elected annually thereafter for a term of three years.

Six members elected by the Fellows so classified that two may be elected annually for three years.

The members of the council shall not be eligible to re-election.

Section 2.—The executive council shall meet immediately upon the adjournment of the annual convention of the Institute and, a quorum being present, elect one of their number chairman, who must be duly qualified to represent the Institute before the American Bankers Association.

They shall also appoint an educational director and such other employees as may in their judgment be necessary, to serve during their pleasure; and transact such other business as may come before them. At other times they may transact business by mail.

The annual meeting of the executive council shall be held at least one day prior to the annual convention of the Institute.

Section 3.—The executive council shall take charge of the general business of the Institute, receive communications and in the absence of action

by the convention arrange for holding the succeeding convention; except that the president of the Institute shall be empowered to appoint the necessary committees to arrange the program for the annual convention of the Institute.

Eight members of the council shall constitute a quorum to do business.

Section 4.—The executive council shall provide—first, for keeping the records of the proceedings of their own meetings, as well as those of the Institute's annual meetings; second, they shall submit to each annual meeting a report covering their own official acts, as well as a statement of any new or unfinished business requiring attention; third, they shall make full statements of the financial condition of the Institute to the annual convention and, fourth, submit an estimate of the amount required to carry on the affairs of the Institute according to their judgment of the business to be done, recommend means for raising money to carry out such plans as may be resolved upon by the Institute and raise and disburse the money therefor.

Section 5.—The secretary shall make and have charge of the records of the Institute. These records shall be the property of the Institute and shall be held subject at all times to the order of the executive council.

Section 6.—The treasurer shall receive and account for all moneys belonging to the Institute and collect dues; but shall pay out moneys only upon vouchers approved and signed by the president or by the chairman of the executive council, and countersigned by the secretary of the Institute.

Section 7.—The treasurer shall furnish a bond satisfactory in amount and form to the executive council.

Article VIII.

The treasurer shall pay upon vouchers properly approved, the railroad expenses of members of the executive council in attendance at the annual meeting of the council.

Article IX.

Resolutions or subjects for discussion (excepting those referring to points of order or matters of courtesy) must be submitted to the executive council in writing at least one day before the annual convention of the Institute; but any person desiring to submit any resolution or business in open convention may do so upon a majority vote of the delegates present, the resolution or business may be referred to the executive council to report upon immediately; provided, that this shall not apply to any proposed amendment of the constitution.

ARTICLE X.

Any member failing to pay within three months the membership dues shall be considered as having withdrawn from the Institute, but may be reinstated upon application to the secretary, and paying all dues in arrears, with the consent of the president or chairman of the executive council.

ARTICLE XI.

This constitution may be amended at any annual meeting by a vote of two-thirds of the members present; notice of the proposed amendment having been submitted to the secretary at least thirty days before the annual convention, and the secretary shall at once notify the chairman of the executive council of the American Bankers Association. Said amendment to be published in the official publication of the Institute and then submitted to the executive council that they may arrange to bring it before the convention under the regular order of business.

BY-LAWS.

FIRST.—Each chapter shall be entitled to representation at the annual convention, according to the number of members as of record 30 days before the annual convention, certified to by the president and secretary of the chapter, to the secretary of the Institute.

SECOND.—The official publication of the Institute shall be issued monthly under the direction of the educational director and shall be called the Bulletin of the American Institute of Banking.

The subscription price of said Bulletin to non-members of the Institute shall be $2 per annum.

THIRD.—Questions of parliamentary procedure not hereinbefore provided for shall be decided according to Robert's Rules of Order.

Amendment Adopted at the Seattle Convention, June 23, 1909
(change indicated by italics)

ARTICLE V

The Institute shall hold an annual convention at such time and place as may be from year to year determined, in which convention each chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large. *Delegates in attendance from the Correspondence Chapter shall be entitled to one vote each.* Fellows in attendance shall be entitled to one vote each on all questions except the election of chapter members of the executive council.

REVISED CONSTITUTION

Adopted at the Chattanooga Convention, June 9, 1910

ARTICLE I. The American Institute of Banking Section of the American Bankers Association is devoted to the education of bankers in "Banking and Finance" and "Commercial and Banking Law," and the establishment and maintenance of a recognized standard of banking and financial education by means of official examinations and the issuance of certificates. Holders of such certificates shall be known as Institute alumni.

ARTICLE II. Members of the Institute shall consist of duly authorized Chapters whose individual members shall pay to the Institute, through their respective Chapter treasuries, annual dues of seventy-five cents, of which sum fifty cents shall be for subscription to the official publication and twenty-five cents for general Institute expenses.

ARTICLE III. Associate Members of the Institute shall consist of institutions which are members of the American Bankers Association. For each associate member of the Institute thus constituted the Institute will accept from the American Bankers Association annual dues of seventy-five cents, payable in monthly instalments.

ARTICLE IV. Fellows of the Institute shall consist of Fellows already constituted and such others as the Executive Council of the Institute may elect, not exceeding twenty-five annually, subject to the following qualifications: (a) Bank officers who are interested in the work of the Institute; (b) Chapter members who have been officers or members of the Executive Council of the Institute; (c) Ex-Presidents of Chapters in good standing; (d) and such Chapter members as have passed the prescribed examinations of the Institute. Fellows shall pay to the Institute annual dues of two dollars.

ARTICLE V. The Institute shall hold an annual convention at such time and place as may from year to year be determined, in which convention each Chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof, and one delegate-at-large, based upon the records of Chapter membership in the general office of the Institute thirty days before such annual convention. Alumni employed in banks located over thirty miles from any Chapter city and not members of any Chapter may be delegates at any annual convention upon personal attendance, provided that no two such delegates shall be identified with any one bank or other financial institution.

Article VI. The elective officers of the Institute shall be a President, Vice-President, Secretary, and Treasurer, who shall be elected by the Institute in convention from Chapter members who are not bank officers, and no incumbent of either of such offices shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected shall serve for terms of one year each, or until their successors are elected and qualified.

Article VII. Section 1. The government of the Institute shall be vested in an Executive Council of fifteen members: (1) The President and Vice-President ex officio; (2) seven members elected by the Chapters in convention from Chapter members not bank officers, so classified that the terms of two shall expire at the end of one year, three whose terms shall expire at the end of two years, two whose terms shall expire at the end of three years, and their successors to be elected annually thereafter for a term of three years; (3) six members elected by the Fellows, so classified that two may be elected annually for three years. Present members of the Council shall continue in office for the respective terms for which they have been elected. Members of the Council shall not be eligible to consecutive re-election. Section 2. The Executive Council shall meet immediately upon the adjournment of the annual convention of the Institute, and, a quorum being present, elect one of their number chairman, who must be duly qualified to represent the Institute before the American Bankers Association. The Executive Council shall also appoint an Educational Director and such other employees as may in its judgment be necessary, to serve during its pleasure; and transact such other business as may come before it. At other times the Executive Council may transact business by mail. The annual meeting of the Executive Council shall be held at least one day prior to the annual convention of the Institute. Eight members of the Executive Council shall constitute a quorum.

Article VII. Subject to the approval of the American Bankers Association, this constitution may be amended at any annual convention by a two-thirds vote, provided that notice of any proposed amendment shall have been submitted to the secretary of the Institute at least thirty days before the annual convention, published in the official publication of the Institute and submitted to the Executive Council of the Institute for report by said Council to the convention under the regular order of business.

REVISED CONSTITUTION

Adopted at the Salt Lake Convention, August 23, 1912

ARTICLE I. The American Institute of Banking Section of the American Bankers Association shall be devoted to (1) the education of bankers in the theory and practice of banking and such principles of law and economics as pertain to the banking business; (2) the establishment and maintenance of a recognized standard of banking education by means of official examinations and the issuance of certificates of graduation.

ARTICLE II. A system of post-graduate study shall be established for Institute graduates and others who desire educational work supplementary to the standard course of study upon which the Institute certificate is based.

ARTICLE III. Members of the Institute shall consist of duly authorized chapters whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of seventy-five cents a year, payable in monthly installments. Duly enrolled students and graduates of the Institute outside the confines and suburbs of chapter cities and not members of any city chapter shall constitute the Correspondence Chapter.

ARTICLE IV. Fellows of the Institute shall consist of Fellows already constituted and such Institute graduates, not exceeding fifty annually, as may be elected by the Institute Executive Council. Fellows shall pay to the Institute annual dues of two dollars.

ARTICLE V. Associate members of the Institute shall consist of institutions that are members of the American Bankers Association. For each Associate Member of the Institute thus constituted the Institute will accept from the American Bankers Association annual dues of seventy-five cents, payable in monthly installments.

ARTICLE VI. The Institute shall hold an annual convention at such time and place as may from year to year be determined, in which convention each chapter shall be represented by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large, computed in accordance with the records of chapter membership in the general office of the Institute thirty days before such annual convention. Members of the Correspondence Chapter who are Institute graduates shall be entitled to vote individually at any Institute convention upon personal attendance.

ARTICLE VII. A President, a Vice-President, a Secretary and a Treasurer of the Institute shall be elected annually by the Institute in convention from chapter members, and no incumbent of any of such offices shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected shall serve for respective terms of one year or until their successors are elected and qualified.

ARTICLE VIII. The government of the Institute shall be vested in an Executive Council of seventeen members consisting of (1) the ex-President, the President, the Vice-President, the Secretary and the Treasurer of the Institute, ex-officio; (2) six members of the Executive Council elected by the Institute in convention from chapter members, so arranged that two may be elected annually for three years; (3) six members of the Executive Council elected by the convention from Fellows, so arranged that two may be elected annually for three years. Members of the Executive Council shall be ineligible to consecutive re-election.

ARTICLE IX. The Executive Council shall meet in annual session on the day before the annual convention of the Institute. The Executive Council shall also meet immediately upon adjournment of the annual convention of the Institute and from members thereof other than the President and Vice-President elect a Chairman and Vice-Chairman qualified to represent the Institute in the Executive Council of the American Bankers Association. At other times the Executive Council may transact business by mail.

ARTICLE X. The Executive Council shall appoint an Educational Director and other employees as required to serve during its pleasure. Under the administration of the Executive Council, the Educational Director shall (1) direct the educational work of the Institute, (2) conduct the official publication, and (3) perform such services for the Secretary and the Treasurer as the Executive Council may prescribe.

ARTICLE XI. Subject to the approval of the American Bankers Association, this constitution may be amended at any annual convention by a two-thirds vote, provided that notice thereof shall have been submitted to the Secretary of the Institute at least thirty days before the annual convention, published in the official publication of the Institute and submitted to the Executive Council of the Institute for report to the convention.

AMENDMENTS TO CONSTITUTION

Amendments Adopted at the Dallas Convention, September 24, 1914

Article III. The educational work of the Institute shall be under the general supervision and subject to the approval of a Board of Regents consisting of (1) two professional educators; (2) two practical bankers; and (3) the Educational Director of the Institute. The members of the Board of Regents thus constituted shall be appointed by the Executive Council of the Institute and serve during the pleasure of said Council.

Old Article III renumbered IV; old Article IV repealed.

Article VII. A President and a Vice-President of the Institute shall be elected annually by the Institute in convention from chapter members, and no incumbent of any of such offices shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected shall serve for respective terms of one year or until their successors are elected and qualified.

Article VIII. The government of the Institute shall be vested in an Executive Council for fifteen members, consisting of: (1) the ex-President, the President and the Vice-President of the Institute, ex-officio; (2) twelve members of the Executive Council elected by the Institute in convention, so arranged that four may be elected annually for three years. Members of the Executive Council shall be ineligible to consecutive re-election.

Article IX. The Executive Council shall meet in annual session on the day before the annual convention of the Institute, and shall also meet immediately upon adjournment of the annual convention of the Institute and from the members thereof elect a Chairman and a Vice-Chairman. At other times the Executive Council may transact business by mail.

Article X. The Executive Council shall appoint an Educational Director, a Secretary and a Treasurer of the Institute, to serve during its pleasure. Under the administration of the Executive Council, the Educational Director shall (1) direct the educational work of the Institute; (2) conduct the official publication; (3) perform such other services as the Executive Council may prescribe. The Secretary and Treasurer shall perform the usual duties of such positions as construed by the Executive Council.

Amendments Adopted at the Cincinnati Convention, September 22, 1916
(changes indicated by italics)

9. The Executive Council shall meet in annual session on the day before the annual convention of the Institute, and shall also meet immediately upon adjournment of the annual convention of the Institute. At other times the Executive Council may transact business by mail.

10. The Executive Council shall appoint an educational director and a treasurer of the Institute, to serve during its pleasure. Under the administration of the Executive Council *and of the board of regents*, the educational director shall (1) direct the educational work of the Institute; (2) conduct the official publication; (3) perform *the usual duties of secretary and* such other services as the Executive Council may prescribe. The treasurer shall perform the usual duties of such position as construed by the Executive Council.

11. Subject to the approval of the American Bankers Association *these by-laws* may be amended at any annual convention by a two-thirds vote, provided that notice thereof shall have been submitted to the *educational director* of the Institute at least thirty days before the annual convention, published in the official publication of the Institute and submitted to the Executive Council of the Institute for report to the convention.

AMENDMENTS TO INSTITUTE BY-LAWS

Amendments Adopted at the Chicago Convention, September 12, 1917

4. Members of the Institute shall consist of duly authorized chapters *organized and conducted in suitable cities or in suitable states. City and state chapters thus constituted shall pay to the Institute annual dues of twenty-five cents for each of their chapter members, such annual dues to be paid in quarterly instalments in advance.*

5. Duly enrolled students and graduates of the Institute outside *of the respective territories of city and state chapters,* and not members of any city *or state* chapter, shall constitute the Correspondence Chapter. *The Correspondence Chapter shall pay to the Institute annual dues of twenty-five cents for each Correspondence Chapter student hereafter enrolled in the Institute standard study course.*

Subsequent sections were renumbered accordingly.

Amendment Adopted at the Denver Convention, September 17, 1918

4. Members of the Institute shall consist of duly authorized chapters *whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of not to exceed fifty cents a year.* Duly enrolled students and graduates of the Institute outside *the confines and suburbs of chapter cities* and not members of any city chapter shall constitute the Correspondence Chapter.

Section 5 was repealed and subsequent sections were renumbered accordingly.

Amendments Adopted at the New Orleans Convention, October 8, 1919

Section 2 was repealed and subsequent sections were renumbered accordingly.

3. Members of the Institute shall consist of duly authorized chapters whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of fifty cents a year. *Bank officers and other employees outside of the respective jurisdictions of city and state chapters shall be eligible to membership in* the Correspondence Chapter.

9. The Executive Council shall appoint *a Secretary,* an Educational Director and a Treasurer of the Institute, *who shall* serve during *the* pleasure *of the Executive Council and perform the usual duties of such officers as determined by the Executive Council. The Council also may appoint an Associate Educational Director and one or more Assistant Secretaries and fix the terms and conditions of their service.*

Amendments Adopted at the Minneapolis Convention, July 19, 1921

3. Members of the Institute shall consist of duly authorized chapters whose individual members shall subscribe for the official publication of the Institute through their respective chapter treasurers at the rate of *seventy-five* cents a year. Bank officers and other employees outside of the respective jurisdictions of city and state chapters shall be eligible to membership in the Correspondence Chapter.

6. A President and a Vice President of the Institute shall be elected annually by the Institute in convention from chapter members, and no incumbent of any such offices shall be eligible to consecutive re-election to the same office. Officers of the Institute thus elected *must possess the Institute*

Standard Certificate and they shall serve for respective terms of one year or until their successors are elected and qualified.

7. The government of the Institute shall be vested in an Executive Council of fifteen members, consisting of (1) the ex-President, the President and the Vice President of the Institute, ex-officio; (2) twelve members of the Executive Council elected by the Institute in convention, so arranged that four may be elected annually for three years. Members of the Executive Council *must possess the Institute Standard Certificate and they* shall be ineligible to consecutive re-election.

Amendment Adopted at the Portland Convention, July 17, 1922

2. The educational work of the Institute shall be under the general supervision and subject to the approval of a Board of Regents consisting of (1) two professional educators; (2) two practical bankers; and (3) *the last three past presidents of the Institute.* The members of the Board of Regents thus constituted shall be appointed by the Executive Council of the Institute and serve during the pleasure of said Council.

Amendments Adopted at the Kansas City Convention, July 14, 1925

8. In the event that any member of the Executive Council, as described in the last section, shall sever his connection with the banking business, or shall move from the district over which he has supervision as a councilman, or shall be absent without satisfactory excuse from all the sessions of the Executive Council held in any one Institute year, the President may, with the written approval of a majority of the Executive Council, upon presentation of sufficient evidence of that fact, declare a vacancy in such office, which shall thereby become vacant. In the event of such a vacancy or of a vacancy caused by death, resignation, or otherwise, the President, with the written approval of a majority of the Executive Council, shall appoint a member of the Institute to fill such vacancy until the next annual convention of the Institute, at which time a member shall be elected to fill the unexpired term.

9. The Executive Council shall meet in annual session on the day before the annual convention of the Institute, and shall also meet immediately upon adjournment of the annual convention of the Institute. *It shall hold a mid-year meeting on such days in the month of January and at such place as may be selected at its annual meeting or be designated by the officers of the Institute, under authority delegated to them at its annual meeting.* At other times the Executive Council may transact business by mail.

Amendments Adopted at the Dallas Convention, July 13, 1926

8. There shall be a Nominating Committee appointed for the purpose of securing the nomination of suitable candidates for every office to be filled at each annual convention of the Institute. This committee shall consist of three members, the President appointing thereto each year those members of the Executive Council who received, in their respective term groups, the highest vote for election. This committee, under the chairmanship of its senior member, in point of service, shall, not earlier than February first nor later than March fifteenth of each year, prepare a list of nominees for the various Institute offices to be filled. This list shall contain at least two names for each prospective vacancy, except for the office of President, nominations for which may be limited by the committee, in its discretion, to those made by the chapters. In preparing this list, the committee shall accept all nominations made by chapters upon vote of their members in general meetings or upon vote of their boards of governors, these nominations to be advised direct to the chairman of the Nominating Committee as made. Upon receipt of such nominations, a notice thereof shall be sent immediately by the chairman to all other members of the Nominating Committee. Should such nominations by chapters not be sufficient to provide the number of nominees hereinbefore stated, the committee shall make additional nominations until the requirements are filled. Further, should the committee feel, even though the required number of names are placed in nomination, that there are other Institute members who might properly be candidates, it may, in its discretion, add these names. In cases where the committee decides to nominate a candidate on its own initiative, it shall communicate such fact to the candidate's chapter with the suggestion that such chapter arrange to place the name in nomination by vote of its members in general meeting or by vote of its board of governors. Should the chapter for any reason fail to do so, the committee shall strike the name of such prospective candidate from its list of nominees and such prospective candidate shall be deemed ineligible for nomination. The committee shall cause to have published in the April issue of the Bulletin of the American Institute of Banking a list of the nominations for all offices whether or not made at its request, without comment, either as to the candidates' qualifications or the sources of nominations, the names of candidates for each office to be arranged in alphabetical order. If any candidate nominated as hereinbefore provided shall become ineligible subsequent to March fifteenth, the committee may, in its discretion, make a substitute nomination. The name of no candidate shall

be included in the published list and no candidate shall be placed in nomination at the convention until such candidate has placed his written consent in the hands of the chairman of the Nominating Committee.

10. The Executive Council shall appoint a financial institution as Treasurer of the Institute, which shall serve in such capacity during the pleasure of the Executive Council and perform the usual duties of Treasurer as determined by the Executive Council.

Sections subsequent to new section 8 were renumbered accordingly.

Amendment Adopted at the Detroit Convention, July 11, 1927

2. The educational work of the Institute shall be under the general supervision *of the Educational Director. A Board of Regents may be appointed to assist him. The number of members of said Board of Regents shall be determined and* appointed by the Executive Council of the Institute and serve during the pleasure of said Council.

Amendment Adopted at the Los Angeles Convention, June 7, 1932

8. There shall be a Nominating Committee appointed for the purpose of securing the nomination of suitable candidates for every office to be filled at each annual convention of the Institute. This committee shall consist of three members, the President appointing thereto each year *one member of the Executive Council from each respective term group.* This committee, under the chairmanship of its senior member, in point of service, shall, not earlier than February first nor later than March fifteenth of each year, prepare a list of nominees for the various Institute offices to be filled. In preparing this list, the committee shall accept all nominations made by chapters upon vote of their members in general meetings or upon vote of their boards of governors, these nominations to be advised direct to the chairman of the Nominating Committee as made. Upon receipt of such nominations, a notice thereof shall be sent immediately by the chairman to all other members of the Nominating Committee. In cases where the committee decides to nominate a candidate on its own initiative, it shall communicate such fact to the candidate's chapter with the suggestion that such chapter arrange to place the name in nomination by vote of its members in general meeting or by vote of its board of governors. Should the chapter for any reason fail to do so, the committee shall strike the name of such prospective candidate from its list of nominees and such prospective candidate shall be deemed ineligible for nomination. The committee shall cause to have published in

the April issue of the Bulletin of the American Institute of Banking a list of the nominations for all offices whether or not made at its request, without comment, either as to the candidates' qualifications or the sources of nominations, the names of candidates for each office to be arranged in alphabetical order. If any candidate nominated as hereinbefore provided shall become ineligible subsequent to March fifteenth, the committee may, in its discretion, make a substitute nomination. The name of no candidate shall be included in the published list and no candidate shall be placed in nomination at the convention until such candidate has placed his written consent in the hands of the chairman of the Nominating Committee.

Amendment Adopted at the Louisville Convention, June 7, 1938

9. In the event that any member of the Executive Council, as described in the last section, shall sever his connection with the banking business, or shall move from the district over which he has supervision as a councilman, or shall be absent without satisfactory excuse from all the sessions of the Executive Council held in any one Institute year, the President may, with the written approval of a majority of the Executive Council, upon presentation of sufficient evidence of that fact, declare a vacancy in such office, which shall thereby become vacant. In the event of such a vacancy or of a vacancy caused by death, resignation, or otherwise, the President, with the written approval of a majority of the Executive Council, shall appoint a member of the Institute to fill such vacancy *for* the unexpired term.

Amendments Adopted at the Grand Rapids Convention, June 6, 1939

3. Members of the Institute shall consist of *(1)* duly authorized chapters *and study groups*, whose individual members shall subscribe for the official publication of the Institute through their respective *organizations* at the rate of seventy-five cents a year; *(2)* bank officers and employees outside the respective jurisdictions of *chapters and study groups who are either correspondence students or Institute graduates and who subscribe to the official publication of the Institute at the rate of seventy-five cents a year.*

5. The Institute shall hold an annual convention at such time and place as may from year to year be determined, in which convention each chapter *and each study group* shall be represented by delegates on the basis of one delegate for each twenty-five numbers or fraction thereof and one delegate-at-large, computed in accordance with the records of membership in the general office of the Institute thirty days before such annual conven-

tion. *Correspondence students not members of a chapter or a study group and those who are members by reason of their membership status as* Institute graduates, *as described in section 3 of the By-Laws,* shall be *represented by delegates in the manner provided for chapters and study groups, but on the basis of state classification. Such representations shall be selected according to rules and regulations prescribed by the Institute.*

REVISED BY-LAWS

Adopted at the Chicago Convention, June 10, 1943

Article I.—Purpose

The American Institute of Banking Section of the American Bankers Association, through chapters, study groups, correspondence courses, and such other mediums as may from time to time be authorized by the Executive Council, shall be devoted (1) to the education of bankers in the theory and practice of banking and in those principles of law and economics that pertain to the banking business; (2) to the establishment and maintenance of a recognized standard of banking education by means of official examinations and the issuance of certificates of graduation.

Article II.—Members

Section 1.—The following shall constitute the regular *membership of the American Institute of Banking.*

(a) Duly authorized chapters, study groups, and other recognized units whose individual members shall pay to the Institute annual dues of seventy-five cents, seventy cents of which shall be for one year's subscription to the Bulletin of the American Institute of Banking, such dues to be payable annually in advance and to cover the period beginning September 1 and ending August 31.

(b) Officers and other employees of financial institutions, located *outside* the jurisdiction of chapters and study groups, who are correspondence students, Institute graduates, students or graduates of The Graduate School of Banking, Associate Councilmen, members of national committees, or former regular members, and who shall pay to the Institute annual dues of seventy-five cents, seventy cents of which shall be for one year's subscription to the Bulletin of the American Institute of Banking, such dues to be payable annually in advance and to cover the period beginning September 1 and ending August 31.

Section 2.—Regular *Institute membership* for the individuals referred to in Section 1 (b) of this article shall be subject to the limitations set forth in Section 2 of Article III for regular chapter membership. Special types of membership approved by the Executive Council may be accorded individuals who cannot qualify for regular membership, and such special members shall be subject to the limitations set forth in Section 2 of Article III for special chapter members.

Section 3.—Wherever the term "regular member" appears in these By-Laws, it shall mean an individual who has qualified for regular membership in a chapter, study group, or other recognized unit or who has qualified for regular Institute membership as defined in Section 2 of this article.

Section 4.—Associate members of the Institute shall consist of institutions that are members of the American Bankers Association. For each associate member thus constituted the Institute will accept from the American Bankers Association annual dues of one dollar payable in monthly instalments.

Article III.—Chapters

Section 1.—Subject to rules and regulations prescribed from time to time by the Executive Council, chapters may be organized and maintained within appropriate territorial limits for the purpose of carrying out the educational objectives of the Institute. The charters of such chapters may be granted, suspended, or revoked by a majority vote of the Executive Council.

Section 2.—Regular *chapter membership* shall be limited to officers and employees of banks and other financial institutions that are members of the American Bankers Association and to officers and employees of bank holding companies whose affiliates are members of the American Bankers Association. Officers and employees of banks and other financial institutions that are not members of the American Bankers Association may be accorded special types of membership approved by the Executive Council, and such special members may enjoy all the rights of regular chapter members except the right to hold national office (President, Vice President, or elective member of the Executive Council) and the right to participate in any contest for a national Institute award.

Article IV.—Study Groups

Section 1.—Subject to rules and regulations prescribed from time to time by the Executive Council, study groups may be organized and maintained in areas where the chapter form of organization is not feasible. The educa-

tional activities of such study groups shall be under the direct supervision of the National Educational Director.

Section 2.—Regular *study group membership* shall be subject to the limitations set forth in Section 2 of Article III for regular chapter membership. Special types of membership approved by the Executive Council may be accorded individuals who cannot qualify for regular membership, and such special members shall be subject to the limitations set forth in Section 2 of Article III for special chapter members.

Article V.—Correspondence Courses

Under the direction of the National Educational Director, correspondence courses may be conducted for the benefit of officers and other employees of banks located outside the jurisdiction of chapters and study groups. Any bank officer or other employee who is a member of a chapter or a study group may enroll for correspondence study if the enrolment is approved by the chapter president or by the study group chairman.

Article VI.—National Educational Director

The educational work of the Institute shall be under the general supervision of the National Educational Director. To insure a uniformly high standard of educational work throughout the Institute, official examinations shall be conducted under the direction of the National Educational Director in all subjects leading to the award of an official certificate of the Institute. The President, annually, may appoint an educational advisory committee of three members, one from each elective term group of Executive Councilmen, to assist the National Educational Director.

Article VII.—Conventions

Except as provided in Article XIII, the Institute shall hold an annual convention at such time and place as may from year to year be determined by the delegates assembled in convention, or by the Executive Council if not determined by the delegates in convention. Each chapter, study group, and other recognized unit shall be represented in convention by delegates on the basis of one delegate for each twenty-five members or fraction thereof and one delegate-at-large, and computation of delegates shall be in accordance with the records of membership in the National Office of the Institute thirty days prior to the opening date of the annual convention. Correspondence students and other regular members who are not members of a chapter or a study group shall be represented by delegates on the same basis as chapters

and study groups, except that such delegates shall be selected, by states, according to rules and regulations prescribed by the Executive Council. The delegate or delegates present at any annual convention may cast the entire number of votes to which their respective units or state groups are entitled.

Article VIII.—President and Vice President

A President and a Vice President shall be elected at each annual convention to serve for terms of one year or until their successors shall have been elected and qualified. Only regular members who hold the Institute Standard Certificate shall be eligible for election to these offices, and no incumbent shall be eligible for reelection to the same office.

Article IX.—Executive Council

Section 1.—The government of the Institute shall be vested in an Executive Council of fifteen members consisting of (1) three ex officio members, namely, the President, the Vice President, and the last living past president of the Institute, and (2) twelve members elected by the delegates in convention, their terms to be so arranged that four shall be elected annually to serve for three years or until their successors shall have been elected and qualified. Only regular members who hold the Institute Standard Certificate shall be eligible for election to the Executive Council, and members of the Executive Council shall be ineligible for consecutive reelection.

Section 2.—In the event that any member of the Executive Council shall sever his connection with the banking business or shall move from the district over which he has supervision as a councilman or shall be absent without satisfactory excuse from all the sessions of the Executive Council held in any one Institute year, the President may, upon sufficient evidence of any of the foregoing facts and with the written approval of a majority of the Executive Council, declare a vacancy in that office. In the event of such a vacancy or of a vacancy caused by death, resignation, or otherwise, the President, with the written approval of a majority of the Executive Council, shall appoint a regular member to fill the vacancy for the unexpired term

Article X.—Nominations

The President, annually, shall appoint a Nominating Committee consisting of an Executive Councilman from each elective term group, for the purpose of securing the nomination of suitable candidates for every office to be filled at each annual convention of the Institute. Members of this committee shall be eligible for reappointment and the senior member shall act

as chairman. The chairman shall receive all nominations to national offices made by chapters, study groups, or other recognized units and shall immediately notify the other committee members of such nominations. The committee may recommend nominees to chapters, study groups, and other recognized units or may itself initiate nominations.

Between February 1 and March 15 each year, the committee shall prepare a list of all nominations to national offices (President, Vice President, and elective members of the Executive Council) and shall have this list published in the issue of the official Institute publication immediately preceding the annual convention. The names of the candidates for each office shall be arranged in alphabetical order, without comment either as to the candidates' qualifications or as to the sources of the nominations. If any candidate nominated as hereinbefore provided shall become ineligible subsequent to March 15, the Nominating Committee may, in its discretion, accept or make a substitute nomination. The name of no candidate shall be listed in the official publication of the Institute or placed in nomination at the convention until such candidate and his chapter, study group, or other recognized unit shall have placed their written consents in the hands of the chairman of the Nominating Committee and shall have agreed to comply with all campaign and other rules prescribed by the Executive Council.

Article XI.—Council Meetings

The Executive Council shall meet in annual session prior to the opening and upon the adjournment of each convention of the Institute. It shall also meet in the month of January or February each year on such day or days and at such place as may be selected at its annual meeting or may be designated by the officers of the Institute under authority delegated to them by the Executive Council. The Executive Council may likewise transact business by mail.

Article XII.—Treasurer

The Executive Council shall appoint a financial institution as Treasurer of the Institute. The institution so appointed shall serve in that capacity during the pleasure of the Executive Council and shall perform the duties of Treasurer as determined by the Executive Council.

Article XIII.—Emergency Provisions

Section 1.—If, because of the existence of a state of war or other emergency, the Executive Council shall determine, by the affirmative vote of at

least two-thirds of its membership taken in session or by mail, that it is inexpedient for the Institute to hold its annual convention in any year, the Executive Council shall have the authority, at a special meeting called for that purpose or by mail vote if necessary, to nominate, elect, and install a duly qualified President, a duly qualified Vice President, and four duly qualified members of the Executive Council, notwithstanding any provision of these By-Laws to the contrary. An election resulting from such special meeting of the Executive Council, or from a mail vote, shall have the same force and effect as an election held at an annual convention.

Section 2.—If, pursuant to the provisions of Section 1 of this article, the annual convention is not held in any year, or if for any reason a meeting of the Executive Council cannot be held in the month of January or February, or if because of any other emergency the Executive Council shall determine, by the affirmative vote of at least two-thirds of its membership taken by mail, that it is expedient to hold a special meeting of the Executive Council, the President shall call such special meeting by giving each Executive Councilman, by mail or telegraph, at least two weeks' notice of the purpose, time, and place of holding the meeting.

Article XIV.—Amendments

Subject to the approval of the Executive Council of the American Bankers Association, these By-Laws may be amended at any annual convention of the Institute by a two-thirds vote, provided that the proposed amendment or amendments shall have been submitted to the National Secretary at least ninety days before the convention, shall have been published in the official publication of the Institute or sent by mail to all members at least thirty days before the convention, and shall have been submitted to the Executive Council of the Institute for report to the convention.

REVISED BY-LAWS

Adopted at the Buffalo Convention, June 7, 1948

Article I.—Name

The name of this organization shall be American Institute of Banking, Section American Bankers Association.

Article II.—Purpose

Through chapters, study groups, correspondence courses, and such other mediums as may from time to time be authorized by its Executive Council,

the American Institute of Banking shall be devoted to the education of bank personnel in the theory and practice of banking and in those principles of law, economics, and accounting that pertain to the banking business; and to the establishment and maintenance of a recognized standard of banking education.

Article III.—Members

Section 1.—The following shall constitute the regular membership of the American Institute of Banking:

(a) Duly authorized chapters and study groups.

(b) Individuals located outside the jurisdiction of chapters and study groups who are officers, directors, or employees of banks or other financial institutions that are members of the American Bankers Association or who are officers, directors, or employees of bank holding companies substantially all of whose affiliates are members of the American Bankers Association.

Section 2.—Special Institute membership approved by the Executive Council may be accorded individuals located outside the jurisdiction of chapters and study groups who are officers, directors, or employees of banks or other financial institutions or of bank holding companies that do not qualify under Section 1 (b) of this article or who are officers or employees of national or state banking departments, of the Federal Deposit Insurance Corporation, of clearing house associations, or of state bankers associations. Such special members shall enjoy all the rights of regular membership except the right to vote at Institute conventions, the right to hold national office (President, Vice President, or member of the Executive Council), and the right to participate in any contest for a national Institute award.

Section 3.—Honorary, life, and other similar Institute memberships may be approved by the Executive Council, subject to the limitations on the rights of special Institute membership set forth in Section 2 of this article.

Section 4.—Associate members of the Institute shall consist of institutions that are members of the American Bankers Association. For each associate member the Institute will accept from the American Bankers Association annual dues at the rate and in the manner currently specified by the American Bankers Association.

Section 5.—Wherever the term "regular member" appears in these By-Laws, it shall mean an individual who has qualified for regular membership in a chapter or a study group or who has qualified for regular Institute membership as defined in Section 1 (b) of this article.

Article IV.—Chapters

Section 1.—Subject to rules and regulations prescribed from time to time by the Executive Council, chapters may be organized and maintained within appropriate territorial limits for carrying out the purpose of the Institute as defined in Article II. The charters of such chapters may be granted, suspended, or revoked by a majority vote of the Executive Council.

Section 2.—Regular members. Regular chapter membership shall be limited (a) to officers, directors, and employees of banks and other financial institutions that are members of the American Bankers Association; (b) to officers, directors, and employees of bank holding companies substantially all of whose affiliates are members of the American Bankers Association; and (c) to officers and employees of national and state banking departments, of the Federal Deposit Insurance Corporation, of clearing house associations, and of state bankers associations *provided,* however, that regular members coming under this subsection (c) may enjoy all the rights of such membership except the right to hold national office (President, Vice President, or member of the Executive Council) and the right to participate in any contest for a national Institute award.

Section 3.—Special members. Officers, directors, and employees of banks and other financial institutions that are not members of the American Bankers Association may be accorded special chapter membership approved by the Executive Council, and such special members may enjoy all the rights of regular chapter membership except the right to hold national office (President, Vice President, or member of the Executive Council) and the right to participate in any contest for a national Institute award. Banks and financial institutions eligible for membership in the American Bankers Association also may be accorded special chapter membership approved by the Executive Council.

Section 4.—Honorary or life membership. Honorary or life membership may be awarded to individuals in recognition of long or outstanding service to a chapter.

Article V.—Study Groups

Section 1.—Subject to rules and regulations prescribed from time to time by the Executive Council, study groups may be organized and maintained in areas not served by chapters. The educational activities of such study groups shall be conducted under the supervision of the National Educational Director.

Section 2.—Regular and special members. The qualifications for and limi-

tations on regular and special memberships shall be the same as those prescribed for chapter memberships of the same types.

Article VI.—Correspondence Students

Under the supervision of the National Educational Director, correspondence courses may be conducted for the benefit of those who are eligible for regular or special Institute membership as defined in Article III, Section 1 (b) and Section 2. Any regular or special member of a chapter or a study group may enroll for correspondence study if the enrolment is approved by the chapter president or by the study group chairman.

Article VII.—Dues

All members of chapters and study groups and all individual members of the American Institute of Banking (except those provided for in Article III, Section 3) shall pay to the Institute annual dues of one dollar, seventy cents of which shall be for one year's subscription to the Bulletin of the American Institute of Banking, such dues to be payable annually in advance and to cover the period beginning September 1 and ending August 31.

Article VIII.—Government

Section 1.—The government of the Institute shall be vested in an Executive Council of fifteen members consisting of (a) three ex officio members, namely, the President, the Vice President, and the last living past president of the Institute, and (b) twelve members elected by the delegates in convention, their terms to be so arranged that four shall be elected annually to serve for three years or until their successors shall have been elected and qualified. Only regular members who hold the Institute Standard Certificate shall be eligible for election to the Executive Council, and members of the Executive Council shall be ineligible for consecutive reelection or appointment.

Section 2.—In the event that any member of the Executive Council shall sever his connection with the banking business or shall move from the district assigned to him or shall be absent without satisfactory reason from all the sessions of the Executive Council held in any one Institute year, the President may, upon sufficient evidence of any of the foregoing facts and with the written approval of a majority of the Executive Council, declare a vacancy in that office. In the event of such a vacancy or of a vacancy caused by death, resignation, or otherwise, the President, with the written approval of a majority of the Executive Council, shall appoint a regular

member, who is a Standard Certificate holder, to fill the vacancy for the unexpired term.

Section 3.—Whenever the term "Executive Council" is used in these By-Laws, it shall mean the Executive Council of the American Institute of Banking, unless otherwise specified.

Section 4.—Eight members of the Executive Council shall constitute a quorum.

Article IX.—Officers

Section 1.—A President shall be elected at each annual convention to serve for a term of one year or until his successor shall have been elected and qualified. Only regular members who hold the Institute Standard Certificate shall be eligible for election to this office, and no elected incumbent shall be eligible for reelection. It shall be the duty of the President to preside over all official meetings of the Institute and over all meetings of the officers and of the Executive Council. He shall have the power to appoint, with the approval of a majority of the Executive Council, such committees as he deems necessary, and he shall be an ex officio member of all committees. He shall discharge such other duties as usually pertain to the office. In the event that the President shall sever his connection with the banking business or shall vacate the presidency during his term for any other reason, the Vice President shall automatically succeed to this office.

Section 2.—A Vice President shall be elected at each annual convention to serve for a term of one year or until his successor shall have been elected and qualified. Only regular members who hold the Institute Standard Certificate shall be eligible for election to this office, and no elected incumbent shall be eligible for reelection. It shall be the duty of the Vice President to assist the President in administering the affairs of the Institute and to discharge the duties of the President in his absence. In the event that the Vice President shall sever his connection with the banking business or shall vacate the vice presidency during his term for any other reason, this office shall be filled by a member or former member of the Executive Council through appointment by that body.

Section 3.—The educational work of the Institute shall be under the general supervision of the National Educational Director.

Section 4.—The National Secretary shall be responsible for the operation and supervision of the National Office, for the maintenance of all Institute records, and for general supervision of all arrangements for Institute annual

conventions; and he shall discharge such other duties as may be assigned to him by the Executive Council.

Article X.—Conventions

Except as provided in Article XIV, the Institute shall hold an annual convention at such time and place as may from year to year be determined by the delegates assembled in convention, or by the Executive Council if not determined by the delegates in convention. Each chapter and study group shall be represented in convention by delegates on the basis of one delegate for each unit and one for each twenty-five members or fraction thereof. Computation of delegates shall be in accordance with the records of membership in the National Office of the Institute sixty days prior to the opening date of the annual convention. Correspondence students and other regular members who are not members of a chapter or a study group shall be represented by delegates on the same basis as chapters and study groups, except that such delegates shall be selected, by states, according to rules and regulations prescribed by the Executive Council. The delegate or delegates present at any annual convention may cast the entire number of votes to which their respective units or state groups are entitled.

Article XI.—Nominations

The President, annually, shall appoint a Nominating Committee consisting of an Executive Councilman from each elective term group, for the purpose of securing the nomination of qualified candidates for each office to be filled at the annual convention of the Institute. Members of this committee shall be eligible for reappointment and the senior committee member in point of service on the Executive Council shall act as chairman. The chairman shall receive all nominations to national offices made by chapters or study groups and shall immediately notify the other committee members of such nominations. The committee may recommend nominees to chapters or study groups or may itself initiate nominations.

The committee shall prepare a list of all nominations for national offices (President, Vice President, and members of the Executive Council) received prior to March 1 and shall have this list published in the issue of the official Institute publication immediately preceding the annual convention. The names of the candidates for each office shall be arranged in alphabetical order, without comment either as to the candidates' qualifications or as to the sources of nominations. If any candidate nominated as hereinbefore provided shall become ineligible subsequent to March 1, the Nominating

Committee shall accept a substitute nomination if one is offered; if none is offered, the committee may make a substitute nomination on its own initiative.

Nominations for elective offices may be made at the annual convention from the floor.

The name of no candidate shall be listed in the official publication of the Institute or placed in nomination at the convention until such candidate and his chapter or study group shall have placed their written consents in the hands of the chairman of the Nominating Committee and shall have agreed to comply with all campaign and other rules prescribed by the Executive Council.

Article XII.—Council Meetings

Except as provided in Article XIV, the Executive Council shall meet in annual session prior to the opening of or during each convention of the Institute and on the adjournment thereof. It shall also meet in the month of January or February each year on such day or days and at such place as may be selected at its annual meeting or as may be designated by the officers of the Institute under authority delegated to them by the Executive Council. The Executive Council may also transact business by mail.

Article XIII.—Finance

Section 1.—All money (except general convention funds) paid to the Institute shall be deposited in the name of the American Institute of Banking in such bank or banks as the Executive Council may designate as Institute depositories.

The National Secretary shall collect all dues and other amounts paid to the Institute and shall deposit such funds to the credit of the American Institute of Banking in the aforesaid depositories. The National Secretary shall keep records of all receipts and disbursements and shall render a periodic accounting thereof to the Executive Council.

Before any check is signed, the bill, claim, or demand for which it is drawn shall be audited by a bonded officer or employee of the American Bankers Association performing duties in the American Institute of Banking Section and acting under the direction of the National Secretary. All orders for the withdrawal of money against Institute funds (except general convention funds) shall be signed and countersigned by such bonded officers or employees of the American Bankers Association performing duties in the American Institute of Banking Section as may be authorized by the

Executive Council. The same person may not both sign and countersign a check.

Section 2.—The National Secretary shall have authority to open a special account, termed American Institute of Banking—Convention Account, with a bank of his choice in the convention city each year for the purpose of depositing funds received in connection with the annual convention. Such funds shall be disbursed on the order of such officer or officers as may be designated by the Executive Council.

Article XIV.—Emergency Provisions

Section 1.—If, because of the existence of a state of war or other emergency, the Executive Council shall determine, by the affirmative vote of at least two-thirds of its membership taken in session or by mail, that it is inexpedient for the Institute to hold its annual convention in any year, the Executive Council shall have the authority, at a special meeting called for that purpose or by a mail vote if necessary, to nominate, elect, and install a duly qualified President, a duly qualified Vice President, and four duly qualified members of the Executive Council, notwithstanding any provision of these By-Laws to the contrary. An election resulting from such special meeting of the Executive Council, or from a mail vote, shall have the same force and effect as an election held at an annual convention.

Section 2.—If, pursuant to the provisions of Section 1 of this article, the annual convention is not held in any year, or if for any reason a meeting of the Executive Council cannot be held in the month of January or February, or if because of any other emergency the Executive Council shall determine, by the affirmative vote of at least two-thirds of its membership taken by mail, that it is expedient to hold a special meeting of the Executive Council, the President shall call such special meeting by giving each Executive Councilman, by mail or telegraph, at least two weeks' notice of the purpose, time, and place of holding the meeting.

Article XV.—Fiscal Year

The Institute fiscal year shall begin September 1 and end August 31.

Article XVI.—Amendments

Subject to the approval of the Executive Council of the American Bankers Association, these By-Laws may be amended at any general session of an annual convention of the Institute by a two-thirds vote of the delegates present and voting, provided the proposed amendment or amendments

shall have been submitted to the National Secretary at least ninety days prior to the convention, shall have been published in the official publication of the Institute or sent by mail to all members at least thirty days prior to the convention, and shall have been submitted to the Executive Council of the Institute for report to the convention.

Article XVII.—Rules of Order

Robert's Rules of Order Revised shall govern except as otherwise provided in these By-Laws.

APPENDIX VII

Official Lists

AMERICAN INSTITUTE OF BANK CLERKS

BOARD OF TRUSTEES

	Original Members	*Resigned*
William C. Cornwell	February 15, 1901	April 1, 1902
Robert J. Lowry	February 15, 1901	October 19, 1906
Harvey J. Hollister	February 15, 1901	May 3, 1905
J. B. Finley	February 15, 1901	–
George F. Orde	February 15, 1901	May 3, 1905
James G. Cannon	February 15, 1901	August 21, 1903
A. C. Anderson	February 15, 1901	August 21, 1903
Harry L. Burrage	February 15, 1901	August 21, 1903
John F. Thompson	February 15, 1901	–
	Elected Members	
Walker Hill	October 24, 1902	May 6, 1907
Joseph Chapman Jr.	August 21, 1903	–
Caldwell Hardy	August 21, 1903	December 17, 1903
A. H. Wiggin	August 21, 1903	December 17, 1903
Charles B. Mills	December 17, 1903	–
Clay Herrick	December 17, 1903	–
Gates W. McGarrah	May 3, 1905	–
E. D. Hulbert	May 3, 1905	–
James T. Hayden	May 3, 1905	May 1, 1906
David R. Forgan	May 1, 1906	–
W. R. Irby	October 19, 1906	May 6, 1907
John H. Puelicher	October 19, 1906	–
L. P. Hillyer	October 19, 1906	–
*N. D. Alling	October 19, 1906	–
*B. C. Downey	October 19, 1906	–
*Joshua Evans Jr.	October 19, 1906	September 24, 1907
D. C. Wills	May 6, 1907	–
Franklin L. Johnson	May 6, 1907	–
*Frank M. Polliard	September 24, 1907	–

*Members nominated by convention of chapters

At the time of the Providence convention, the Board of Trustees consisted of the following members, whose terms automatically expired with the election of officers and members of the Executive Council by the convention on July 25, 1908:

E. D. Hulbert	John F. Thompson	Franklin L. Johnson
J. B. Finley	Joseph Chapman Jr.	L. P. Hillyer
Gates W. McGarrah	Clay Herrick	N. D. Alling
David R. Forgan	John H. Puelicher	B. C. Downey
Charles B. Mills	D. C. Wills	Frank M. Polliard

OFFICERS

Elected February 15, 1901

President: William C. Cornwell
Treasurer: James G. Cannon
Secretary: A. O. Kittredge

Cornwell resigned July 1, 1901. Election to fill vacancies, held August 12, 1901, resulted as follows:

President: James G. Cannon
Treasurer: John F. Thompson

Elected October 24, 1902

President: J. B. Finley
Vice President: George F. Orde
Treasurer: John F. Thompson
Secretary: A. O. Kittredge

Elected August 21, 1903

President: J. B. Finley
Vice President: George F. Orde
Treasurer: John F. Thompson
Secretary: George E. Allen

No election in 1904; 1903 officers held over.

Elected May 3, 1905

President: J. B. Finley
Vice President: Charles B. Mills
Treasurer: John F. Thompson
Secretary: George E. Allen

Elected May 1, 1906

President: E. D. Hulbert
Vice President: Charles B. Mills
Treasurer: John F. Thompson
Secretary: George E. Allen

Thompson resigned October 19, 1906. Gates W. McGarrah elected treasurer for unexpired term.

Elected May 6, 1907

President:	E. D. Hulbert
Vice President:	Charles B. Mills
Treasurer:	Gates W. McGarrah
Secretary:	George E. Allen

NATIONAL MEMBERS

Original Members

(signers of constitution, effective March 23, 1901)

William C. Cornwell, president, City National Bank, Buffalo, N. Y.
Robert J. Lowry, president, Lowry National Bank, Atlanta, Ga.
Harvey J. Hollister, cashier, Old National Bank, Grand Rapids, Mich.
J. B. Finley, president, Fifth National Bank, Pittsburgh, Pa.
George F. Orde, cashier, Northern Trust Company Bank, Chicago, Ill.
James G. Cannon, vice president, Fourth National Bank, New York, N. Y.
A. C. Anderson, cashier, St. Paul National Bank, St. Paul, Minn.
Harry L. Burrage, vice president, Eliot National Bank, Boston, Mass.
John F. Thompson, cashier, Seaboard National Bank, New York, N. Y.

Elected

(prior to amendment of section ten)	Date
Walker Hill, president, American Exchange Bank, St. Louis, Mo.	10.24.02
Caldwell Hardy, president, Norfolk National Bank, Norfolk, Va.	8.21.03
A. H. Wiggin, vice president, National Park Bank, New York, N. Y.	8.21.03
Joseph Chapman Jr., cashier, Northwestern National Bank, Minneapolis, Minn.	8.21.03
Edward J. Parker, cashier, State Savings, Loan and Trust Company, Quincy, Ill.	8.21.03
Charles B. Mills, cashier, Peoples Trust and Savings Bank, Clinton, Iowa	8.21.03
Clay Herrick, assistant treasurer, City Trust Company, Cleveland, Ohio	12.17.03
Gates W. McGarrah, president, Mechanics National Bank, New York, N. Y.	5.3.05
E. D. Hulbert, vice president, Merchants Loan and Trust Company, Chicago, Ill.	5.3.05
James T. Hayden, president, Whitney National Bank, New Orleans, La.	5.3.05

David R. Forgan, vice president, First National Bank, Chicago, Ill.	5.1.06
W. R. Irby, president, German American National Bank, New Orleans, La.	10.19.06
John H. Puelicher, cashier, Marshall & Ilsley Bank, Milwaukee, Wis.	10.19.06
L. P. Hillyer, vice president and cashier, American National Bank, Macon, Ga.	10.19.06
N. D. Alling, Nassau Bank, New York, N. Y.	10.19.06
B. C. Downey, American National Bank, Indianapolis, Ind.	10.19.06
Joshua Evans Jr., Riggs National Bank, Washington, D. C.	10.19.06
Total original and elected members prior to amendment	26
Resignations: William C. Cornwell, April 1, 1902	
A. H. Wiggin, October 10, 1905	
Robert J. Lowry, October 19, 1906	3
National membership October 19, 1906	23

Elected

(after amendment of section ten, May 6, 1907)

	Date
D. C. Wills, cashier, Diamond National Bank, Pittsburgh, Pa.	5.6.07
Franklin L. Johnson, Mercantile Trust Company, St. Louis, Mo.	5.6.07
Fred I. Kent, manager, foreign exchange department, First National Bank, Chicago, Ill.	5.6.07
George H. Richards, assistant treasurer, Farmers and Mechanics Savings Bank, Minneapolis, Minn.	5.6.07
Fred A. Crandall, assistant cashier, National City Bank, Chicago, Ill.	5.6.07
Ralph C. Wilson, assistant cashier, Bankers' National Bank, Chicago, Ill.	5.6.07
A. Waller Morton, Eutaw Savings Bank, Baltimore, Md.	5.6.07
S. Ludlow Jr., president, Second National Bank, Jersey City, N. J.	5.6.07
A. M. Barrett, assistant secretary, Guardian Trust Company, New York, N. Y.	5.6.07
Frank M. Polliard, Real Estate Trust Company, Pittsburgh, Pa.	9.24.07
Total membership with 1907 additions	33
Resignations: A. C. Anderson, September 24, 1907	
James T. Hayden, September 24, 1907	2
National membership September 24, 1907	31

Elected

(under resolution adopted at trustees' meeting, September 24, 1907)

W. M. Addison, National Bank of Virginia, Richmond, Va.
George E. Allen, 11 Pine Street, New York, N. Y.

J. C. Allen, Hampden Trust Company, Springfield, Mass.
Andrew Benton, Marwick, Mitchell & Co., New York, N. Y.
B. W. Bevans, Luzerne County National Bank, Wilkes-Barre, Pa.
Walter G. Brown, Union Trust Company, Providence, R. I.
O H. Cheney, 52 Broadway, New York, N. Y.
Charles W. Dupuis, Western German Bank, Cincinnati, Ohio
James C. Fenhagen, Maryland National Bank, Baltimore, Md.
E. W. Finck, Riverside Builders' Supply Co., St. Paul, Minn.
R. P. Fisher, Fourth National Bank, New York, N. Y.
L. W. Fricke, Mississippi Valley Trust Company, St. Louis, Mo.
E. J. Goit, 5228 Hibbard Avenue, Chicago, Ill.
George Guckenberger, Atlas National Bank, Cincinnati, Ohio
S. M. Hann, Forest Park, Baltimore, Md.
John H. Hart, First National Bank, Detroit, Mich.
William E. Hazzard, Commercial German National Bank, Peoria, Ill.
Rudolf S. Hecht, Hibernia Bank & Trust Co., New Orleans, La.
W. F. D. Herron, Union Trust Company, Washington, D. C.
Charles J. Higgins, Central State Bank, Jackson, Mich.
Henry T. Holt, 256 Wethersfield Avenue, Hartford, Conn.
Charles A. Imboden, 243 W. North Street, Decatur, Ill.
George B. Irick, First National Bank, Dundee, Ill.
A. H. Jones, Central National Bank, Philadelphia, Pa.
E. E. Kehew, Keystone National Bank, Pittsburgh, Pa.
Frank D. Lisle, Providence, R. I.
W. F. Mackay, Hayden-Miller Co., Cleveland, Ohio
R. S. Marshall, Bank of Tidewater, Portsmouth, Va.
J. C. Martine, Banco de la Habana, Havana, Cuba
G. H. McCarthy, First National Bank, Duluth, Minn.
George S. Meredith, Farmers & Merchants Savings Bank, Oakland, Cal.
Frank C. Mortimer, First National Bank, Berkeley, Cal.
O. M. Nelson, 1836 Dayton Avenue, St. Paul, Minn.
E. J. Newell, Peoples Bank, Buffalo, N. Y.
Frank Noble, 95 Highland Avenue, Buffalo, N. Y.
W. F. Paull, representing National City Bank of Chicago, Seattle, Wash.
Carroll Pierce, Citizens National Bank, Alexandria, Va.
L. M. Pool, Hibernia Bank & Trust Company, New Orleans, La.
R. M. Richter, Carthage Superior Limestone Co., Carthage, Mo.
Louis Schriber, Old National Bank, Oshkosh, Wis.
S. L. St. Jean, 1007 Lucas Avenue, St. Louis, Mo.
E. L. Stewart-Patterson, Eastern Township Bank, Sherbrooke, Quebec, Can.
Roy L. Stone, German-American Bank, Milwaukee, Wis.

F. S. Strattan, Deadwood, S. D.
Frank S. Thomas, 24 Wellington Avenue, Rochester, N. Y.
George K. Wadsworth, Chicago, Ill.
George W. White, Commercial National Bank, Washington, D. C.
John Williams, Marwick, Mitchell & Co., Chicago, Ill.

Total members elected after September 24, 1907	48
National membership July 25, 1908	79

FELLOWS OF THE INSTITUTE
1908-1914

0 Original and elected national members of the Institute
1 First class elected in 1909
2 Second class elected in 1909
Year of election indicated in other cases
* Resigned

0 Addison, W. M., Richmond, Va.
0 *Allen, George E., New York, N. Y.
0 Allen, J. C., Springfield, Mass.
1911 Allendoerfer, Carl W., Kansas City, Mo.
0 Alling, N. D., New York, N. Y.
2 Armstrong, Dwight M., Memphis, Tenn.
1912 Arthur, J. Howard, Pittsburgh, Pa.
1912 Askling, G. A., Denver, Colo.
1910 Bailey, Joseph, Spokane, Wash.
1912 Baker, Irving H., Detroit, Mich.
1913 Ball, Frank C., St. Louis, Mo.
1911 Ball, T. W., Salt Lake City, Utah
0 *Barrett, Alfred M., New York, N. Y.
1911 *Bate, John T., Louisville, Ky.
1 Bauer, M. F., New York, N. Y.
1912 Bean, Robert H., Boston, Mass.
1 Bein, L. G., Davenport, Iowa
1911 Benjamin, Roland, Baltimore, Md.
0 Benton, Andrew, New York, N. Y.
1911 Bernard, Victor L., New Orleans, La.
0 *Bevans, B. W., Wilkes-Barre, Pa.
1 Billman, Henry, New York, N. Y.
1910 Bird, William O., Denver, Colo.
1 Boal, A. G., Pittsburgh, Pa.

1910 Brady, Lester B., Chicago, Ill.
1912 Brewster, John P. H., Cincinnati, Ohio
1911 Broderick, Joseph A., New York, N. Y.
1913 Broening, John Jr., Baltimore, Md.
2 Brown, George A., Denver, Colo.
1910 Brown, L. G., Chattanooga, Tenn.
0 *Brown, Walter G., Providence, R. I.
1 Buchanan, J. I., Pittsburgh, Pa.
0 Burrage, Harry L., Boston, Mass.
1913 Byrne, Robert E., New Orleans, La.
1912 Caldwell, A. E., Oakland, Cal.
0 Cannon, James G., New York, N. Y.
2 *Carter, Charles C., Louisville, Ky.
2 Cerini, F. M., Oakland, Cal.
0 Chapman, Joseph Jr., Minneapolis, Minn.
0 Cheney, O. H., New York, N. Y.
2 Clabaugh, R. R., St. Louis, Mo.
2 Clapp, Henry L., San Francisco, Cal.
1911 Claxton, A. B., Washington, D. C.
1 Cooley, Arthur H., Hartford, Conn.
1912 Corlett, R. D., Oakland, Cal.
1911 Courtney, George T., Detroit, Mich.
1910 Cox, Raymond B., Baltimore, Md.
0 Crandall, Fred A., Chicago, Ill.
1 Cudmore, R. T., Detroit, Mich.
1912 Daggett, James H., Milwaukee, Wis.
1912 Dane, John, New Orleans, La.
1912 Davidson, John, Oakland, Cal.
2 *Davis, William V., Savannah, Ga.
1911 Day, William A., San Francisco, Cal.
1912 Delaney, Frank H., St. Paul, Minn.
1913 Devereux, F. B., Washington, D. C.
2 Dey, W. I., New York, N. Y.
1912 Dickerson, A. M., Chattanooga, Tenn.
1912 Doing, Charles H. Jr., Washington, D. C.
0 Downey, Brandt C., Indianapolis, Ind.
1911 Dreher, Harold J., Milwaukee, Wis.
1911 Dunsmoor, C. F., Oakland, Cal.
0 Dupuis, Charles W., Cincinnati, Ohio
2 Durham, T. R., Chattanooga, Tenn.
1 Eggers, E. S., Pittsburgh, Pa.

1 Ellsworth, Fred W., Chicago, Ill.
0 Evans, Joshua Jr., Washington, D. C.
1911 Evans, William S., Philadelphia, Pa.
1912 Eves, Frank C., Philadelphia, Pa.
1 *Ewalt, T. B., Baltimore, Md.
1913 Eyler, Albert T., Pittsburgh, Pa.
1911 Fairchild, H. R., St. Paul, Minn.
1 Farnsworth, Fred E., New York, N. Y.
0 Fenhagen, James C., Baltimore, Md.
1913 Fenninger, Carl W., Philadelphia, Pa.
0 Finck, E. W., St. Paul, Minn.
0 Finley, J. B., Pittsburgh, Pa.
1912 Finley, W. F., Cleveland, Ohio
0 Fisher, R. P., New York, N. Y.
1913 Flanigen, J. M., Nashville, Tenn.
1913 Ford, Horace S., Boston, Mass.
0 Forgan, David R., Chicago, Ill.
0 Fricke, L. W., St. Louis, Mo.
1912 Frost, L. A., Boston, Mass.
1910 Garrett, James D., Baltimore, Md.
1911 Gladding, J. D. D., Scranton, Pa.
1913 Glass, Joseph C., Seattle, Wash.
0 Goit, E. J., Chicago, Ill.
1913 Graham, John A., Baltimore, Md.
1912 Grape, Adrian J., Baltimore, Md.
1913 Grayson, F. V., Washington, D. C.
1911 Green, William R., Cleveland, Ohio
1 Greene, Charles G., Long Beach, Cal.
1911 Griswold, D. H., Chattanooga, Tenn.
0 *Guckenberger, George, Cincinnati, Ohio
1911 Guckenberger, H. J., Cincinnati, Ohio
1 *Guild, Joseph L., Providence, R. I.
1912 *Gustafson, J. E., Oakland, Cal.
1913 Haas, Harry J., Philadelphia, Pa.
1 *Hakes, D. W. Jr., Springfield, Mass.
0 Hann, S. M., Baltimore, Md.
0 Hardy, Caldwell, Norfolk, Va.
1910 Harrington, G. A., Providence, R. I.
2 Harris, C. R., Seattle, Wash.
0 Hart, John H., Detroit, Mich.
1 Havens, E. A., Providence, R. I.

1913 Haynes, Harry V., Washington, D.C.
1911 Hazlewood, Craig B., Chicago, Ill.
0 Hazzard, William E., Peoria, Ill.
1912 Heacock, L. H., Oakland, Cal.
1912 Hebrank, Harry E., Pittsburgh, Pa.
0 Hecht, Rudolf S., New Orleans, La.
1911 Henderson, John Jr., Rochester, N. Y.
1 Henry, Samuel J., Washington, D. C.
0 Herrick, Clay, Cleveland, Ohio
0 Herron, W. F. D., Washington, D. C.
0 Higgins, Charles J., Jackson, Mich.
1910 Hill, B. O., Pittsburgh, Pa.
0 Hill, Walker, St. Louis, Mo.
0 *Hillyer, L. P., Macon, Ga.
0 *Hollister, Harvey J., Grand Rapids, Mich.
0 Holt, Henry T., Hartford, Conn.
2 Homer, C. C., Baltimore, Md.
1 Houston, Frank K., Nashville, Tenn.
1912 Hudson, A. W., New York, N. Y.
0 Hulbert, E. D., Chicago, Ill.
1910 Humes, Lawrence C., Memphis, Tenn.
1912 Hutton, W. C., New York, N. Y.
0 *Imboden, Charles A., Decatur, Ill.
0 *Irby, W. R., New Orleans, La.
0 *Irick, George B., Dundee, Ill.
1 Jackson, George A., Chicago, Ill.
1 Jess, Stoddard, Los Angeles, Cal.
2 *Johnson, Ernest C., Tacoma, Wash.
0 Johnson, Franklin L., St. Louis, Mo.
1913 Johnson, Walter L., Chicago, Ill.
1912 *Johnston, Robert H., Oakland, Cal.
1913 Jonstone, David, Chicago, Ill.
0 Jones, A. H., Philadelphia, Pa.
1 Kaylor, Thomas H., Indianapolis, Ind.
2 Keesee, George H., Richmond, Va.
0 Kehew, E. E., Pittsburgh, Pa.
1910 Kelly, Q. B., Salt Lake City, Utah
1912 Kennedy, G. P., New York, N. Y.
1913 Kennedy, J. L., Milwaukee, Wis.
0 Kent, Fred I., Chicago, Ill.
1913 Kinney, M. J., Buffalo, N. Y.

1910 Knox, John C., Philadelphia, Pa.
1912 Kramer, Walter B., Scranton, Pa.
0 *Lisle, Frank D., Providence, R. I.
1913 Love, Ernest T., Washington, D. C.
0 Ludlow, Samuel Jr., Jersey City, N. J.
2 *Ludwig, Otto N., Milwaukee, Wis.
1913 Luther, John M., Pittsburgh, Pa.
1910 Lyons, D. J., Cincinnati, Ohio
1912 Mabey, Charles R., Salt Lake City, Utah
0 *Mackay, W. F., Cleveland, Ohio
1913 Maclean, John G., Minneapolis, Minn.
1912 MacMichael, Ralph H., Seattle, Wash.
1913 MacPhail, George B., Buffalo, N. Y.
1913 Marcus, William A., San Francisco, Cal.
0 Marshall, R. S., Portsmouth, Va.
2 Marston, Charles H., Boston, Mass.
0 Martine, J. C., Havana, Cuba
1910 May, H. P., Dallas, Texas
0 McCarthy, G. H., Duluth, Minn.
1 *McDermott, J. W., San Francisco, Cal.
0 *McGarrah, Gates W., New York, N. Y.
1913 McWilliam, E. G., New York, N. Y.
0 Meredith, George S., Oakland, Cal.
1913 Mergler, Henry J., Cincinnati, Ohio
1912 *Merrill, H. A., Oakland, Cal.
0 *Mills, Charles B., Clinton, Iowa
1 Minor, Charles F., New York, N. Y.
1913 Moffatt, E. F., San Francisco, Cal.
2 Morris, Eugene J., Philadelphia, Pa.
1913 Morrish, W. F., Oakland, Cal.
0 Mortimer, Frank C., Berkeley, Cal.
0 Morton, A. Waller, Baltimore, Md.
1911 Moser, Byron W., St. Louis, Mo.
1910 Murphy, W. J., Scranton, Pa.
1912 Mutschler, Fred, Rochester, N. Y.
1 Neilson, Jason A., New York, N. Y.
0 Nelson, O. M., St. Paul, Minn.
1913 Nevius, A. M., Washington, D. C.
0 Newell, E. J., Buffalo, N. Y.
1910 Newton, Allen H., Hartford, Conn.
1912 Nickert, William A., Philadelphia, Pa.

0 Noble, Frank, Buffalo, N. Y.
1913 Nugent, Thomas J., Chicago, Ill.
1910 Olavarria, H., Havana, Cuba
0 Orde, George F., Chicago, Ill.
1 Owens, H. H., Baltimore, Md.
1912 Palfrey, R. J., New Orleans, La.
0 *Parker, Edward J., Quincy, Ill.
0 Paull, W. F., Seattle, Wash.
1913 Peairs, Harry J., Pittsburgh, Pa.
2 Pearson, J. A., St. Paul, Minn.
2 Pease, Henry H., Hartford, Conn.
2 Peck, William H., Scranton, Pa.
1912 Pegram, G. L., New York, N. Y.
1913 Peninger, Ernest, Fort Smith, Ark.
1 Peple, Charles A., Richmond, Va.
1 *Perrin, John, Indianapolis, Ind.
1 Phillips, J. S. M., Pittsburgh, Pa.
1 Phinney, E. C., Minneapolis, Minn.
0 Pierce, Carroll, Alexandria, Va.
0 Polliard, Frank M., Pittsburgh, Pa.
0 Pool, L. M., New Orleans, La.
1 Poole, John, Washington, D. C.
1 Pratt, H. F., Cleveland, Ohio
1910 Proctor, H. G., Richmond, Va.
0 Puelicher, John H., Milwaukee, Wis.
1913 Quinn, J. N., Denver, Colo.
1912 Ramos, Frank L., New Orleans, La.
1 *Reynolds, Arthur, Des Moines, Iowa
1 Reynolds, George M., Chicago, Ill.
0 Richards, George H., Minneapolis, Minn.
0 Richter, R. M., Carthage, Mo.
1910 Rosendale, William M., New York, N. Y.
1911 Rovensky, John E., Pittsburgh, Pa.
1 *Royse, J. H. C., Terre Haute, Ind.
1912 Rubecamp, John W., Chicago, Ill.
1 *Ruggles, James D., San Francisco, Cal.
1911 Sargent, Leigh, Chicago, Ill.
1913 Saucier, Edward A., New Orleans, La.
1912 Sayward, Perceval, Boston, Mass.
1912 Schenck, Edwin T., Jacksonville, Fla.
1 *Scherrer, J. J. Jr., St. Louis, Mo.

1913 Schreiber, Arthur W., Pittsburgh, Pa.
0 Schriber, Louis, Oshkosh, Wis.
1912 Scott, S. C., Oakland, Cal.
1912 Searle, C. E., Minneapolis, Minn.
1 *Sears, George D., Buffalo, N. Y.
1911 Sewell, C. B., Portland, Ore.
1913 Simons, Robert I., Chicago, Ill.
1912 Simpson, F. M., Rochester, N. Y.
2 Skinner, A. J., Springfield, Mass.
1910 Slach, P. J., Cleveland, Ohio
1912 Smale, Harry S., Chicago, Ill.
1910 Snyder, Freas Brown, Philadelphia, Pa.
1 Sonneborn, John G., Philadelphia, Pa.
1913 Spaid, W. W., Washington, D. C.
1913 Spencer, Carl M., Boston, Mass.
0 St. Jean, S. L., St. Louis, Mo.
1 Stafford, J. H., Rochester, N. Y.
2 Stevens, W. E., New York, N. Y.
0 Stewart-Patterson, E. L., Sherbrooke, Quebec, Canada
1912 Stone, Herbert E., Boston, Mass.
0 Stone, Roy L., Milwaukee, Wis.
1 Stowell, W. McK., Washington, D. C.
0 *Strattan, F. S., Deadwood, S. D.
1 Strautmann, W. E., Cincinnati, Ohio
1912 Struthers, George, Minneapolis, Minn.
1913 Swisher, Norris S., Scranton, Pa.
1 Swope, J. L., Baltimore, Md.
0 Thomas, Frank S., Rochester, N. Y.
0 *Thompson, John F., New York, N. Y.
1911 Thralls, Jerome, Kansas City, Mo.
2 Tiffany, J. O., Spokane, Wash.
1913 Uhrig, J. E., St. Louis, Mo.
1 Underwood, F. L., Chattanooga, Tenn.
1913 Upham, E. Payson, Boston, Mass.
1 Vogel, Fred Jr., Milwaukee, Wis.
1 *Wade, F. J., St. Louis, Mo.
0 *Wadsworth, George K., Chicago, Ill.
2 Wakefield, Lyman E., Minneapolis, Minn.
1 Wall, Alexander, Milwaukee, Wis.
1910 Warren, Gray, Minneapolis, Minn.
1 *Watson, W. G., Philadelphia, Pa.

1913 West, Thomas H., Portland, Ore.
0 *White, George W., Washington, D. C.
1912 *Whittier, R. A., Boston, Mass.
0 Williams, John, Chicago, Ill.
0 Wills, D. C., Pittsburgh, Pa.
1910 Wilson, E. P., Washington, D. C.
0 Wilson, Ralph C., Chicago, Ill.
2 Wolfe, Edmund S., Washington, D. C.
1913 Wolfe, O. Howard, New York, N. Y.
1 Woolfolk, L. H., Seattle, Wash.
1910 Woolrich, George L., San Francisco, Cal.
1 *Worden, C. H., Fort Wayne, Ind.
1910 Wright, A. M., Portland, Ore.
1912 Yeames, A. O., Boston, Mass.

Recapitulation of Elections

Original and elected national members of the Institute	79
First class elected in 1909	48
Second class elected in 1909	24
Class elected in 1910	24
Class elected in 1911	24
Class elected in 1912	44
Class elected in 1913	41
	284
Resignations, 1908-1914	41
Number of Fellows at time of constitutional amendment eliminating the Fellows class, September 1914	243

ELECTED OFFICERS AND GOVERNING BODY

COMMITTEE ON ARRANGEMENTS

September 1903, Cleveland, Ohio

Chairman:	Fred I. Kent (Chicago)
Vice Chairmen:	J. W. McDermott (San Francisco)
	R. M. Richter (St. Louis)
	Samuel Ludlow Jr. (New York)
Secretary:	Clay Herrick (Cleveland)
Treasurer:	Charles W. Dupuis (Cincinnati)

August 1904, St. Louis, Missouri

Chairman:	Alfred M. Barrett (New York)
First Vice Chairman:	E. W. Finck (Saint Paul)
Secretary:	George E. Allen (New York)
Treasurer:	Fred A. Crandall (Chicago)
Vice Chairmen:	Reginald Norris (San Francisco)
	John H. Puelicher (Milwaukee)
	E. S. Eggers (Pittsburgh)
	J. A. Neilson (New York)
	Joseph L. Guild (Providence)
	R. S. Marshall (Norfolk)

July 1905, Minneapolis, Minnesota

Chairman:	George H. Richards (Minneapolis)
First Vice Chairman:	W. Irving Dey (New York)
Secretary:	George E. Allen (New York)
Treasurer:	Brandt C. Downey (Indianapolis)
Vice Chairmen:	George H. Keesee (Richmond)
	Samuel J. Henry (Washington)
	Henry H. Pease (Hartford)
	C. J. Higgins (Detroit)
	E. N. Johnson (Chicago)
	Franklin L. Johnson (St. Louis)
	T. E. Deegan (San Francisco)
	E. L. Stewart-Patterson (Sherbrooke, Canada)

ASSOCIATED CHAPTERS

September 1906, Atlantic City, New Jersey

President:	Fred A. Crandall (Chicago)
Vice President:	A. Waller Morton (Baltimore)
Recorder:	B. S. Raplee (Cleveland)
Treasurer:	Edward A. Havens (Providence)

Executive Committee: G. Jeter Jones (Richmond)
D. W. Hakes Jr. (Springfield, Mass.)
C. J. Higgins (Detroit)
Henry G. Rahn (Milwaukee)
Louis W. Fricke (St. Louis)

AUGUST 1907, DETROIT, MICHIGAN

President: A. Waller Morton (Baltimore)
Vice President: Roy L. Stone (Milwaukee)
Recorder: Samuel J. Henry (Washington)
Treasurer: Irving H. Sanborn (San Francisco)
Executive Committee: George H. Keesee (Richmond)
A. T. Hunt (Scranton)
H. J. Guckenberger (Cincinnati)
L. E. Wakefield (Minneapolis)
C. S. Harley (Seattle)

AMERICAN INSTITUTE OF BANKING

JULY 1908, PROVIDENCE, RHODE ISLAND

President: Franklin L. Johnson (St. Louis)
Vice President: Samuel J. Henry (Washington)
Secretary: W. E. Bullard (Detroit)
Treasurer: E. A. Fitzpatrick (Scranton)
Executive Council
Chapters: *Three-Year Term*
Edward A. Havens (Providence)
A. Waller Morton (Baltimore)
Two-Year Term
George A. Jackson (Chicago)
Frank M. Polliard (Pittsburgh)
One-Year Term
W. Irving Dey (New York)
Leroy H. Civille (Los Angeles)
Clay Herrick (Cleveland)
Fellows: *Three-Year Term*
Alfred M. Barrett (New York)
Brandt C. Downey (Indianapolis)
Two-Year Term
D. C. Wills (Pittsburgh)
Ralph C. Wilson (Chicago)
One-Year Term
John H. Puelicher (Milwaukee)
George H. Richards (Minneapolis)

Chairman
Executive Council: John H. Puelicher (Milwaukee)
Vice Chairman
Executive Council: Brandt C. Downey (Indianapolis)
Secretary
Executive Council: Frank M. Polliard (Pittsburgh)

JUNE 1909, SEATTLE, WASHINGTON

President: Newton D. Alling (New York)
Vice President: George A. Jackson (Chicago)
Secretary: H. G. Proctor (Richmond)
Treasurer: L. H. P. Moss (New Orleans)
Executive Council
Chapters: *Three-Year Term*
Frank M. Cerini (Oakland)
William S. Evans (Philadelphia)
E. C. Phinney (Minneapolis)
One-Year Term
D. J. Lyons[1] (Cincinnati)
Fellows: *Three-Year Term*
Carroll Pierce (Washington)
F. L. Underwood (Chattanooga)
Chairman
Executive Council: Ralph C. Wilson (Chicago)
Vice Chairman
Executive Council: Brandt C. Downey (Indianapolis)
Secretary
Executive Council: George E. Allen (New York)

JUNE 1910, CHATTANOOGA, TENNESSEE

President: Ralph H. MacMichael (Pittsburgh)
Vice President: Lawrence C. Humes (Memphis)
Secretary: Charles H. Marston (Boston)
Treasurer: R. J. Taylor (Savannah)
Executive Council
Chapters: *Three-Year Term*
Harry F. Pratt (Cleveland)
Henry J. Mergler (Cincinnati)
Fellows: *Three-Year Term*
Herbert H. Owens (Baltimore)
George A. Brown (Denver)
Chairman
Executive Council: Brandt C. Downey (Indianapolis)

[1]To fill unexpired term of Jackson (elected vice president)

Vice Chairman
Executive Council: Alfred M. Barrett (New York)

SEPTEMBER 1911, ROCHESTER, NEW YORK

President: Raymond B. Cox (Baltimore)
Vice President: J. W. Bradley (Spokane)
Secretary: Andrew C. Dorris (Nashville)
Treasurer: C. S. Diether (Saint Paul)
Executive Council
Chapters: *Three-Year Term*
William H. Farr (Detroit)
B. O. Hill (Pittsburgh)
Fellows: *Three-Year Term*
Fred A. Crandall (Chicago)
William M. Rosendale (New York)
Chairman
Executive Council: Carroll Pierce (Washington)
Vice Chairman
Executive Council: F. L. Underwood (Chattanooga)

AUGUST 1912, SALT LAKE CITY, UTAH

President: Byron W. Moser (St. Louis)
Vice President: Harry V. Haynes (Washington)
Secretary: Harry S. Smale (Chicago)
Treasurer: Irwin L. Bourgeois (New Orleans)
Executive Council
Chapters: *Three-Year Term*
Robert H. Bean (Boston)
T. R. Durham (Chattanooga)
Q. B. Kelly (Salt Lake)
Fellows: *Three-Year Term*
C. W. Allendoerfer (Kansas City)
L. H. Woolfolk (Seattle)
Chairman
Executive Council: Fred A. Crandall (Chicago)
Vice Chairman
Executive Council: Harry F. Pratt (Cleveland)

SEPTEMBER 1913, RICHMOND, VIRGINIA

President: H. J. Dreher (Milwaukee)
Vice President: James D. Garrett (Baltimore)
Secretary: Walter B. Kramer (Scranton)
Treasurer: F. J. Mulcahy (Minneapolis)

Executive Council:	Eugene J. Morris (Philadelphia)
	W. O. Bird (Denver)
	George H. Keesee (Richmond)
Chairman Executive Council:	William M. Rosendale (New York)
Vice Chairman Executive Council:	L. H. Woolfolk (Seattle)

SEPTEMBER 1914, DALLAS, TEXAS

President:	William S. Evans (Philadelphia)
Vice President:	Thomas H. West (Portland)
Executive Council:	Frank C. Ball (St. Louis)
	Frank B. Devereux (Washington)
	Rudolf S. Hecht (New Orleans)
	John W. Rubecamp (Chicago)
Chairman Executive Council:	Robert H. Bean (Boston)
Vice Chairman Executive Council:	C. W. Allendoerfer (Kansas City)

AUGUST 1915, SAN FRANCISCO, CALIFORNIA

President:	Robert H. Bean (Boston)
Vice President:	J. H. Daggett (Milwaukee)
Executive Council:	Stewart D. Beckley (Dallas)
	Harry E. Hebrank (Pittsburgh)
	Ralph H. MacMichael (Seattle)
	R. A. Newell (San Francisco)
	C. Leland Getz[2] (Baltimore)
Chairman Executive Council:	Robert H. Bean (Boston)
Vice Chairman Executive Council:	J. H. Daggett (Milwaukee)

SEPTEMBER 1916, CINCINNATI, OHIO

President:	E. G. McWilliam (Los Angeles)
Vice President:	H. G. Proctor (Richmond)
Executive Council:	C. H. Cheney (Kansas City)
	George F. Kane (Hartford)
	William A. Nickert (Philadelphia)
	James Rattray (Buffalo)

SEPTEMBER 1917, CHICAGO, ILLINOIS

President:	Rudolf S. Hecht (New Orleans)
Vice President:	J. Cameron Thomson (Minneapolis)

[2]Elected for one year

Executive Council:	Clarence A. Rathbone (Boston)
	Wilfred A. Roper (Richmond)
	Joseph A. Seaborg[3] (New York)
	Frank J. Maurice (Detroit)

SEPTEMBER 1918, DENVER, COLORADO

President:	J. Cameron Thomson (Minneapolis)
Vice President:	Gardner B. Perry (Albany)
Executive Council:	John S. Curran (San Francisco)
	Thomas H. West (Portland)
	Sever Daley (Denver)
	Louis C. George (Cincinnati)
	Frank B. Mellen[4] (Cleveland)

OCTOBER 1919, NEW ORLEANS, LOUISIANA

President:	Gardner B. Perry (Albany)
Vice President:	Stewart D. Beckley (Dallas)
Executive Council:	Henry R. Kinsey (New York)
	E. J. McQuade (Washington)
	J. H. McDowell (Chattanooga)
	Joseph J. Schroeder (Chicago)

JUNE 1920, BOSTON, MASSACHUSETTS

President:	Stewart D. Beckley (Dallas)
Vice President:	Robert B. Locke (Detroit)
Executive Council:	W. Hatcher Wilkes[5] (St. Louis)
	Donald A. Mullen (Pittsburgh)
	John A. Graham (Baltimore)
	Henry C. Jackson (Providence)

JULY 1921, MINNEAPOLIS, MINNESOTA

President:	Robert B. Locke (Detroit)
Vice President:	Carter E. Talman (Richmond)
Executive Council:	Frank L. Ramos (New Orleans)
	P. R. Williams (Los Angeles)
	George E. Maine (Seattle)
	Thomas I. Miller (Atlanta)
	Willard H. Dressler[6] (Omaha)

JULY 1922, PORTLAND, OREGON

President:	Carter E. Talman (Richmond)
Vice President:	Clarence R. Chaney (Minneapolis)

[3]Resigned September 16, 1918
[4]Elected for two years to fill unexpired term of Seaborg
[5]Resigned July 18, 1921
[6]Elected for two years to fill unexpired term of Wilkes

Executive Council:	Norman T. Hayes (Philadelphia)
	Albert C. Burchett (Memphis)
	Frank N. Hall (St. Louis)
	Bert V. Chappel (Cleveland)

JULY 1923, CLEVELAND, OHIO

President:	Clarence R. Chaney (Minneapolis)
Vice President:	Edwin V. Krick (San Francisco)
Executive Council:	William Feick (New York)
	Ralph D. Spaulding (Chicago)
	W. J. Evans (Dallas)
	George S. F. Bartlett (Boston)

JULY 1924, BALTIMORE, MARYLAND

President:	Edwin V. Krick (San Francisco)
Vice President:	Bruce Baird (New Orleans)
Executive Council:	James F. Hart (Des Moines)
	Fred F. Van Liew (Spokane)
	John T. Hanefy (Rochester)
	Ben Aley (Denver)

JULY 1925, KANSAS CITY, MISSOURI

President:	Bruce Baird (New Orleans)
Vice President:	Paul B. Detwiler (Philadelphia)
Executive Council:	Harry F. Manor (Toledo)
	Paul P. Brown (Asheville)
	J. Martyn Turner (San Francisco)
	Callan E. England (Little Rock)

JULY 1926, DALLAS, TEXAS

President:	Paul B. Detwiler (Philadelphia)
Vice President:	P. R. Williams (Los Angeles)
Executive Council:	Thomas J. Nugent (Chicago)
	Charles D. Hayward (Kansas City)
	William B. Thurston Jr. (Baltimore)
	G. Harold Welch (New Haven)

JULY 1927, DETROIT, MICHIGAN

President:	P. R. Williams (Los Angeles)
Vice President:	Frank M. Totton (New York)
Executive Council:	Joel R. Parrish (Salt Lake)
	Carl E. Lindquist (Tacoma)
	W. E. Richards Jr. (Pittsburgh)
	Paul Angell (Birmingham)

JUNE 1928, PHILADELPHIA, PENNSYLVANIA

President:	Frank M. Totton (New York)
Vice President:	W. J. Evans (Dallas)
Executive Council:	J. Ernest Smith (Oakland)
	Edward F. LeBreton (New Orleans)
	Frank H. Delaney (Saint Paul)
	H. Theodore Jameson (Cleveland)

JUNE 1929, TULSA, OKLAHOMA

President:	W. J. Evans (Dallas)
Vice President:	Ben Aley (Denver)
Executive Council:	Colman Mockler[7] (St. Louis)
	Albert S. Puelicher (Milwaukee)
	Charles F. Ellery (Essex County)
	T. Hunton Leith (Washington)
	Robert D. Kerr[8] (St. Louis)

JUNE 1930, DENVER, COLORADO

President:	Ben Aley (Denver)
Vice President:	Henry J. Mergler (Cincinnati)
Executive Council:	Edwin C. Estes (New York)
	Henry J. Court (Phoenix)
	Maynard W. E. Park (Kansas City)
	Carl L. Phillips (Seattle)
	Andrew C. Dorris[9] (Nashville)

JUNE 1931, PITTSBURGH, PENNSYLVANIA

President:	Henry J. Mergler (Cincinnati)
Vice President:	Frank N. Hall (St. Louis)
Executive Council:	Dale M. Tussing (Los Angeles)
	Henry Verdelin (Minneapolis)
	Blanton K. Dorman (Shreveport)
	Herbert H. Gardner (Detroit)

JUNE 1932, LOS ANGELES, CALIFORNIA

President:	Frank N. Hall (St. Louis)
Vice President:	Albert S. Puelicher (Milwaukee)
Executive Council:	Frank R. Curda (Chicago)
	J. Ross Burhouse (Philadelphia)
	T. Edward Kellar (Boston)
	Freeman Strickland (Atlanta)

[7]Resigned shortly after election
[8]Appointed for one year to replace Mockler
[9]Elected for two years to fill unexpired term of Mockler

JUNE 1933, CHICAGO, ILLINOIS

President:	Albert S. Puelicher (Milwaukee)
Vice President:	Charles F. Ellery (Essex County)
Executive Council:	Milton F. Barlow (Omaha)
	Hays E. Bassett (Dallas)
	Peter C. Jansen (Buffalo)
	H. L. Stiles (Portland)

JUNE 1934, WASHINGTON, D.C.

President:	Charles F. Ellery (Essex County)
Vice President:	Maynard W. E. Park (Kansas City)
Executive Council:	Harry R. Smith (San Francisco)
	Earl V. Newton (Cleveland)
	J. B. Haslam (Birmingham)
	G. K. Strickland (Memphis)

JUNE 1935, OMAHA, NEBRASKA

President:	Maynard W. E. Park (Kansas City)
Vice President:	Henry Verdelin (Minneapolis)
Executive Council:	Felix Montano (Hartford)
	J. L. Dart (Jacksonville)
	R. W. Nuckols (Richmond)
	Adolph Lodmell (Sioux Falls)

JUNE 1936, SEATTLE, WASHINGTON

President:	Henry Verdelin (Minneapolis)
Vice President:	Frank R. Curda (Chicago)
Executive Council:	Lawrence C. Freer[10] (New York)
	P. W. McEntee (Spokane)
	T. E. Graham (Forth Worth)
	Forrest C. Burchfield (Grand Rapids)

JUNE 1937, SAINT PAUL, MINNESOTA

President:	Frank R. Curda (Chicago)
Vice President:	Milton F. Barlow (Omaha)
Executive Council:	Russell C. Lemmon (Los Angeles)
	John L. Barnes (Columbus)
	David E. Simms (Salt Lake)
	John B. Laplace Jr.[11] (New Orleans)
	L. M. Barousse[12] (New Orleans)

[10]Resigned June 1938
[11]Resigned January 1938
[12]Appointed to fill unexpired term of Laplace

JUNE 1938, LOUISVILLE, KENTUCKY

President:	Milton F. Barlow (Omaha)
Vice President:	Harry R. Smith (San Francisco)
Executive Council:	David L. Colby (St. Louis)
	J. A. Reagan (Rocky Mount)
	Albert F. Newman (Providence)
	Elmer M. Volkenant (Saint Paul)
	George T. Newell[13] (New York)

JUNE 1939, GRAND RAPIDS, MICHIGAN

President:	Harry R. Smith (San Francisco)
Vice President:	J. L. Dart (Jacksonville)
Executive Council:	Edward F. Matthews (Philadelphia)
	Garnett A. Carter (Atlanta)
	J. H. Gormley (Seattle)
	Elmer W. Pollock (Tulsa)

JUNE 1940, BOSTON, MASSACHUSETTS

President:	J. L. Dart (Jacksonville)
Vice President:	George T. Newell (New York)
Executive Council:	C. Edgar Johnson (Chicago)
	Erwin V. Holton[14] (Marin County)
	William C. Way (Cleveland)
	William C. Pitner (Chattanooga)

JUNE 1941, SAN FRANCISCO, CALIFORNIA

President:	George T. Newell (New York)
Vice President:	David E. Simms (Salt Lake)
Executive Council:	David T. Scott (Boston)
	George E. Powell (Kansas City)
	D. Wesley Correll[15] (Milwaukee)
	Victor H. Lloyd (Charleston West Virginia)

JUNE 1942, NEW ORLEANS, LOUISIANA

President:	David E. Simms (Salt Lake)
Vice President:	David L. Colby (St. Louis)
Executive Council:	George J. Greenwood Jr. (Portland)
	Herman W. Kilman (Dallas)
	Walton L. Sanderson (Washington)
	Everett C. Stevenson (Elizabeth)

[13]Appointed to fill unexpired term of Freer
[14]Resigned April 1942
[15]Resigned October 1942

P. A. Doyle[16] (Oakland)
Pierre N. Hauser[17] (Milwaukee)

June 1943, Chicago, Illinois

President:	David L. Colby (St. Louis)
Vice President:	William C. Way (Cleveland)
Executive Council:	Floyd L. Geyer (Los Angeles)
	S. J. Kryzsko (Winona)
	Albert O. Werner (Detroit)
	T. S. Wiggins (Memphis)

June 1944, St. Louis, Missouri

President:	William C. Way (Cleveland)
Vice President:	David T. Scott (Boston)
Executive Council:	Edward C. Boyer (New Orleans)
	Howard R. Chamberlain (Rochester)
	W. Howard Martie (Pittsburgh)
	Herbert E. Widenhofer (Fort Wayne)

June 1945, Cleveland, Ohio

President:	David T. Scott (Boston)
Vice President:	George J. Greenwood Jr. (Portland)
Executive Council:	J. Kaye Ewart (Tacoma)
	H. Waldo Graff (San Antonio)
	J. Vincent O'Neill (New York)
	Hartwell F. Taylor (Richmond)

June 1946, Cincinnati, Ohio

President:	George J. Greenwood Jr. (Portland)
Vice President:	Garnett A. Carter (Atlanta)
Executive Council:	Alton P. Barr (Birmingham)
	Walter D. Behnke (Grand Rapids)
	Clarence W. Brown (Sacramento)
	Christian Ries (Minneapolis)

June 1947, Detroit, Michigan

President:	Garnett A. Carter (Atlanta)
Vice President:	Pierre N. Hauser (Milwaukee)
Executive Council:	Edward J. Damstra (Chicago)
	Theron D. Elder (Oklahoma City)
	Byron A. Wilson (Denver)
	George E. Levine (Providence)

[16]Appointed to fill unexpired term of Holton
[17]Appointed to fill unexpired term of Correll

JUNE 1948, BUFFALO, NEW YORK

President:	Pierre N. Hauser (Milwaukee)
Vice President:	Hartwell F. Taylor (Richmond)
Executive Council:	Joseph F. Cornelius (Spokane)
	Albert H. Gabel (Utica)
	W. Frank Phillips (Charlotte)
	Martin J. Travers (Niagara Falls)

JUNE 1949, PORTLAND, OREGON

President:	Hartwell F. Taylor (Richmond)
Vice President:	J. Kaye Ewart (Tacoma)
Executive Council:	Stetson B. Harman (Pasadena)
	Alvin E. Roemershauser (New Orleans)
	J. Ralph Wagner (Detroit)
	Leon I. Williams (Pittsburgh)

APPOINTED OFFICERS

AMERICAN INSTITUTE OF BANK CLERKS

		Term of Service
A. O. Kittredge	Secretary	Feb. 1901—March 1903
George E. Allen	Assistant Secretary	Feb. 1901—Aug. 1903
	Secretary	Aug. 1903—July 1908

AMERICAN INSTITUTE OF BANKING

George E. Allen	Educational Director	July 1908—Aug. 1922
	Secretary	Sept. 1914—Sept. 1916
O. Howard Wolfe	Assistant to Educational Director	Sept. 1914—June 1915
	Assistant Secretary	Sept. 1914—June 1915
Milton W. Harrison	Assistant to Educational Director	Oct. 1915—Oct. 1919
Richard W. Hill	Assistant to Educational Director	Dec. 1916—Oct. 1919
	Secretary	Oct. 1919—June 1940
Stephen I. Miller Jr.	Educational Director	Oct. 1923—Oct. 1927
Harold Stonier	Educational Director	Nov. 1927—June 1940
William A. Irwin	Assistant Educational Director	Nov. 1937—April 1939
	Associate Educational Director	April 1939—June 1940
	Educational Director	June 1940—Sept. 1947

Floyd W. Larson	Assistant Secretary	Nov. 1937—June 1940
	Secretary	June 1940—
Marion Turner	Assistant to Educational Director	Sept. 1944—
Leroy Lewis	Assistant Educational Director	Nov. 1944—Sept. 1946
	Associate Educational Director	Sept. 1946—Sept. 1947
	Educational Director	Sept. 1947—
Robert C. Rutherford	Assistant Secretary	Sept. 1945—June 1948
	Secretary	June 1948—

BOARD OF REGENTS

	Term of Service
O. M. W. Sprague, Harvard University, Cambridge, Mass.	Dec. 1914—Dec. 1926
E. W. Kemmerer, Princeton University, Princeton, N. J.	Dec. 1914—Dec. 1926
Harold J. Dreher, Marshall & Ilsley Bank, Milwaukee, Wis.	Dec. 1914—Sept. 1917
C. W. Allendoerfer, First National Bank, Kansas City, Mo.	Dec. 1914—Sept. 1918
George E. Allen, 5 Nassau Street, New York, N. Y.	Dec. 1914—July 1922
Fred W. Ellsworth, Guaranty Trust Company, New York, N. Y.	Sept. 1917—Dec. 1917
Fred I. Kent, Bankers Trust Company, New York, N. Y.	Jan. 1918—Dec. 1926
Frank C. Mortimer, National City Bank, New York, N. Y.	Sept. 1918—July 1921
John H. Puelicher, Marshall & Ilsley Bank, Milwaukee, Wis.	July 1921—Dec. 1926
Robert B. Locke (ex officio), Federal Reserve Bank, Detroit, Mich.	July 1922—July 1925
Stewart D. Beckley (ex officio), City National Bank, Dallas, Texas	July 1922—July 1924
Gardner B. Perry (ex officio), American Trading Company, New York, N. Y.	July 1922—July 1923
Carter E. Talman (ex officio), American National Bank, Richmond, Va.	July 1923—July 1926

Clarence R. Chaney (ex officio), Northwestern National Bank, Minneapolis, Minn.	July 1924—Dec. 1926
Edwin V. Krick (ex officio), Mercantile Trust Company of California, San Francisco, Cal.	July 1925—Dec. 1926
Bruce Baird (ex officio), New Orleans Bank and Trust Company, New Orleans, La.	July 1926—Dec. 1926

REORGANIZED BOARD

Ira B. Cross, Head of the Department of Economics, University of California, Berkeley, Cal.	Jan. 1927—July 1935
Fred I. Kent, Bankers Trust Company, New York, N. Y.	Jan. 1927—July 1935
John H. Puelicher,* Marshall & Ilsley Bank, Milwaukee, Wis.	Jan. 1927—Jan. 1935
W. A. Scott, Director of the School of Commerce, University of Wisconsin, Madison, Wis.	Jan. 1927—July 1935
Lawrence Chamberlain, Investment Bankers of America, 120 Broadway, New York, N. Y.	July 1926—July 1933

CURRICULUM ADVISORY COMMITTEE

September 1935—August 1938

Commercial Law, Negotiable Instruments, Economics, Money and Banking

Willard E. Atkins, A.M., J.D., University of Chicago; member of the Illinois Bar. Chairman of the Department of Economics at Washington Square College, New York University; member of the faculty of The Graduate School of Banking; former instructor in a number of Institute chapters; chairman of the Curriculum Advisory Committee

Bank Organization and Operation, Bank Management

Alan G. Warner, B.A., Williams College. Assistant vice president, Manufacturers Trust Company, New York; instructor in Bank Organization and Operation and Bank Management in New York Chapter

Credit Management, Analyzing Financial Statements

Carl Sundberg, Yale University; graduate of the United States Naval Academy. District representative of the Guaranty Trust Company, New

*Died January 28, 1935

York; instructor in Credit Management and Analyzing Financial Statements in New York Chapter

CORPORATION FINANCE AND INVESTMENTS I AND II

GEORGE W. EDWARDS, Ph.D., Columbia. Head of the Department of Economics at The College of the City of New York; member of the faculty of The Graduate School of Banking; former acting educational director of the American Institute of Banking; former instructor in New York Chapter; author of the Institute text Corporation Finance and Investments II (1935)

TRUSTS I AND II

GILBERT T. STEPHENSON, A.M., LL.B., Harvard. Vice president in charge of the trust department, Equitable Trust Company, Wilmington, Delaware; member of the faculty of The Graduate School of Banking; instructor in a number of Institute chapters; author of the Institute texts Trusts I (1934) and Trusts II (1935)

INSTITUTE CONVENTIONS

Year	Convention City	Date
1903	Cleveland, Ohio	Sept. 18-19
1904	St. Louis, Missouri	Aug. 25-27
1905	Minneapolis, Minnesota	July 20-22
1906	Atlantic City, New Jersey	Sept. 6-8
1907	Detroit, Michigan	Aug. 22-24
1908	Providence, Rhode Island	July 23-25
1909	Seattle, Washington	June 21-23
1910	Chattanooga, Tennessee	June 8-10
1911	Rochester, New York	Sept. 7-9
1912	Salt Lake City, Utah	Aug. 21-23
1913	Richmond, Virginia	Sept. 17-19
1914	Dallas, Texas	Sept. 22-24
1915	San Francisco, California	Aug. 18-20
1916	Cincinnati, Ohio	Sept. 20-22
1917	Chicago, Illinois	Sept. 12
1918	Denver, Colorado	Sept. 17-19
1919	New Orleans, Louisiana	Oct. 7-9
1920	Boston, Massachusetts	June 15-17
1921	Minneapolis, Minnesota	July 18-22

1922	Portland, Oregon	July 16-20
1923	Cleveland, Ohio	July 16-20
1924	Baltimore, Maryland	July 14-18
1925	Kansas City, Missouri	July 13-17
1926	Dallas, Texas	July 12-16
1927	Detroit, Michigan	July 11-15
1928	Philadelphia, Pennsylvania	June 18-22
1929	Tulsa, Oklahoma	June 10-14
1930	Denver, Colorado	June 16-20
1931	Pittsburgh, Pennsylvania	June 8-12
1932	Los Angeles, California	June 6-10
1933	Chicago, Illinois	June 12-16
1934	Washington, D.C.	June 11-14
1935	Omaha, Nebraska	June 10-14
1936	Seattle, Washington	June 8-12
1937	Saint Paul, Minnesota	June 7-11
1938	Louisville, Kentucky	June 6-10
1939	Grand Rapids, Michigan	June 5-9
1940	Boston, Massachusetts	June 3-7
1941	San Francisco, California	June 2-6
1942	New Orleans, Louisiana	June 8-11
1943	Chicago, Illinois	June 9-10
1944	St. Louis, Missouri	June 6-8
1945	Cleveland, Ohio	June 4-5
1946	Cincinnati, Ohio	June 10-13
1947	Detroit, Michigan	June 2-6
1948	Buffalo, New York	June 7-11
1949	Portland, Oregon	May 30-June 3

APPENDIX VIII

National Convention Debates

1903 Cleveland

Resolved, That the collection of country checks at par is contrary to general business principles.

Affirmative: John Gillett, Detroit; F. B. Gilmore, Washington; A. H. Jones, Philadelphia

Negative: Harry Evers, Buffalo; A. V. Gardiner, Minneapolis; J. L. Guild, Providence

Decision for the negative

1904 St. Louis

Resolved, That it is contrary to safe banking policy for commercial banking corporations to underwrite or trade in stocks, corporation bonds, or real estate.

Affirmative: Samuel M. Hann, Baltimore; W. Irving Dey, New York; Archibald Gill Boal, Pittsburgh

Negative: S. C. Stallwood, Chicago; J. M. Anderson, St. Paul; P. J. Slach, Cleveland

Decision for the affirmative

1905 Minneapolis

Resolved, That all banks in the United States should be under federal control.

Affirmative, Chicago Chapter: Horace W. Hawkins, Ernest S. Rastall, and Martin J. Berg

Negative, New York Chapter: Orrin R. Judd, M. F. Bauer, and N. D. Alling

Decision for the affirmative

1906 Atlantic City

Resolved, That for Congress to establish a national reserve bank would be for the best interests of the country.

Affirmative, Detroit Chapter: Walter G. Toepel, Theodore F. A. Osius, and Charles J. Higgins

Negative, Pittsburgh Chapter: W. McKee Kelley, Alan Morphy, and T. W. Carroll

Decision for the negative

1907 Detroit

Resolved, That the commercial development of the age has been detrimental to the highest interests of the people.

Affirmative: W. S. McCormick, Detroit; Duncan G. Bellows, Chicago

Negative: Harry V. Haynes, Washington; Raymond B. Cox, Baltimore

Decision for the negative

1908 Providence

Resolved, That all banking institutions in New York City be required to keep a larger cash reserve.

Affirmative, Pittsburgh Chapter: J. E. Rovensky, George Rankin Jr., and W. G. Gundelfinger

Negative, Chicago Chapter: C. R. Wheeler, Benjamin B. Bellows, and Charles W. Allison

Decision for the affirmative

1909 Seattle

Resolved, That a system of branch banking would serve the needs of this country better.

Affirmative, Tacoma Chapter: Michael Dowd, Ernest C. Johnson, and W. W. Newschwander

Negative, Chicago Chapter: John Yocum, R. R. Sleeper, and R. G. Gadsden

Decision for the negative

1910 Chattanooga (none)

1911 Rochester (none)

1912 Salt Lake City (none)

1913 Richmond

Resolved, That the so-called blue sky legislation would be for the best interests of the people of the United States.

Affirmative, Pittsburgh Chapter: P. S. Space, A. T. Eyler, and George Rankin Jr.

Negative, Chicago Chapter: Adolph Floreen, Norman B. Collins, and John W. Gorby

Decision for the affirmative

1914 Dallas

Resolved, That Federal Government ownership of the telephone and telegraph lines would be for the best interests of the country.

Affirmative, Chicago Chapter: Bruce Baird, Herbert C. Roer, and John W. Gorby

Negative, Philadelphia Chapter: Paul B. Detwiler, Robert U. Frey, and William W. Allen Jr.

Decision for the negative

1915 San Francisco (none)

1916 Cincinnati

Resolved, That the closing of accounts of over thirty days by acceptances is an improvement over open book accounts.

Affirmative, Syracuse Chapter: William A. Boyd, Albert B. Merrill, and Arthur A. White

Negative, Chattanooga Chapter: G. A. Rice, J. H. McDowell, and Noble J. Simmons

Decision for the affirmative

1917 Chicago (none)

1918 Denver (none)

1919 New Orleans

Resolved, That Congress coordinate the merchant marine and railroads for the purpose of encouraging foreign trade.

Affirmative, New York Chapter: W. L. J. Conway, F. G. Newell, and W. G. F. Price

Negative, Chattanooga Chapter: John R. Dean, Russell R. Rushton, and Noble J. Simmons

Decision for the negative

1920 Boston

Resolved, That the adoption of a scheme of industrial democracy, in which the worker has a voice and vote in the management of industry, is the best solution of the problem of industrial unrest.

Affirmative, Los Angeles Chapter: George R. Kingdon, Josephine M. Parker, J. E. Woolwine, and Eva M. Swalley (alternate)

Negative, Philadelphia Chapter: Paul B. Detwiler, Howard E. Deily, William W. Allen Jr., and William F. Ritter (alternate)

Decision for the negative

1921 Minneapolis

Resolved, That the plan of Irving Fisher for stabilizing the dollar should be adopted by the Federal Government.

Affirmative, New York Chapter: W. G. F. Price, Nelson M. McKernan, and W. L. J. Conway

Negative, Omaha Chapter: John W. Zoeller, Philip W. McBride, and William Phillips

Decision for the negative

1922 PORTLAND

Resolved, That the United States enter into an agreement for the mutual cancelation of the inter-allied war debt.

Affirmative, New York Chapter: J. V. D. Stryker, Charles H. Schoch, E. A. Lahm, and John J. Golden (alternate)

Negative, Seattle Chapter: W. C. Phillips, Casper W. Clarke, Allen P. Hull, and Herbert C. Bryant (alternate)

Decision for the negative

1923 CLEVELAND

Resolved, That branch banking in the United States should be encouraged.

Affirmative, Philadelphia Chapter: George R. Herzog, Robert Mayer, Harold W. Scott, and W. Rudolph Cooper (alternate)

Negative, Boston Chapter: Joseph Morris, Charles Stratton Jr., Robert P. Holdsworth, and Lewis E. Stoyle (alternate)

Decision for the affirmative

1924 BALTIMORE

Resolved, That the United States should grant immediate independence to the Philippines.

Affirmative, Portland Chapter: A. R. Munger, Ralph Thom, Hugh C. Grŭwell, and O. L. Zetterval (alternate)

Negative, Kansas City Chapter: Earl I. Vaughan, M. W. E. Park, H. H. Davis, and J. C. Davis (alternate)

Decision for the negative

1925 KANSAS CITY

Resolved, That the right to issue tax free securities should be abolished.

Affirmative, Yakima County Chapter: J. W. Brislawn, A. O. Holm, A. M. Johnson, and Emery F. Sperry (alternate)

Negative, Des Moines Chapter: William M. Brandon, G. A. Tumbleson, C. L. Varnum, and George Nissley (alternate)

Decision for the affirmative

1926 DALLAS

Resolved, That the Federal Reserve bank should not be prohibited from engaging in open market transactions.

Affirmative, New Orleans Chapter: James P. Ohlsen, Edgar E. Cayard, Mark Bartlett, and Albert H. Bittenbring (alternate)

Negative, Detroit Chapter: D. M. Irwin, Cecil S. Hunt, Louis A.

Komjathy, and Frank C. Thomas (alternate)
Decision for the negative

1927 Detroit
Resolved, That building and loan associations, finance corporations, and similar institutions, which are virtually doing a banking business, be subjected to the same governmental regulations and restrictions as state banks in the states in which they operate.
Affirmative, New York Chapter: Geo. R. Guilfoyle, William H. Bennett, Doushan Lazarovich-Hrebelianovich, and Leroy S. Clark (alternate)
Negative, Detroit Chapter: C. Bradford Hitt, John M. Reichenbach, Louis A. Komjathy, and Clarence A. Gilbert (alternate)
Decision for the negative

1928 Philadelphia
Resolved, That the Federal Reserve Act be amended to allow a certain per cent of the combined net earnings of all the Federal Reserve banks to be paid as interest to the member banks on their reserve balances.
Affirmative, Baltimore Chapter: John Redwood Jr., Lemuel J. Kemp, Edward M. McKewen, and Harry H. Hahn (alternate)
Negative, Detroit Chapter: William Powers, Louis A. Komjathy, C. Bradford Hitt, and Earl J. Failor (alternate)
Decision for the negative

1929 Tulsa
Resolved, That appointment to official position in banks should in the future be conditioned by law upon the successful passing of educational, technical, and moral tests by the proposed appointee.
Affirmative, Philadelphia Chapter: Harold M. Griest, Robert Mayer, Melville M. Parker, and Robert J. Crawford (alternate)
Negative, New Orleans Chapter: A. E. Roemershauser, D. R. Hanemann, Mark Bartlett, and P. J. Thibodeaux (alternate)
Decision for the negative

1930 Denver
Resolved, That chain banking is economically dangerous and undesirable.
Affirmative, New Orleans Chapter: Pierre J. Laiche, William H. Keck Jr., A. E. Roemershauser, and George J. Ruhlman (alternate)
Negative, Philadelphia Chapter: Melville M. Parker, Harry C. Cul-

shaw, Harold W. Scott, and R. David Conner (alternate)
Decision for the negative

1931 Pittsburgh
Resolved, That the several states should enact legislation providing for compulsory unemployment insurance to which the employer shall contribute.
Affirmative, Los Angeles Chapter: Robert L. Gordon, Harold Paul Cunningham, Murray M. Chotiner, and L. O. Griffiths (alternate)
Negative, Philadelphia Chapter: Edward F. Matthews, William K. Carr, Harry C. Culshaw, and Albert W. Whittlesey (alternate)
Decision for the Negative

1932 Los Angeles
Resolved, That an economic boycott should be directed against belligerent nations as a means of preventing war.
Affirmative, St. Louis Chapter: W. L. Gregory, A. W. Dimond, E. Carroll Sibley, and Dewey Shea (alternate)
Negative, Philadelphia Chapter: Edward F. Matthews, Harold W. Wallgren, Harry C. Culshaw, and Horace R. Whartenby Jr. (alternate)
Decision for the negative

1933 Chicago
Resolved, That the United States should maintain the policy of a protective tariff.
Affirmative, San Francisco Chapter: Clayton Snyder, H. R. Smith, and Frank M. Dana (alternate)
Negative, St. Paul Chapter: Dorothy Goth, T. D. Maier, and Theophil Rusterholz (alternate)
Decision for the negative

1934 Washington
Resolved, That the city management plan of government should be adopted by all American municipalities of over 50,000 population.
Affirmative, San Antonio Chapter: Roy J. Smith and Robert L. Neal
Negative, Los Angeles Chapter: Norvald Ulvestad and Harold Paul Cunningham
Decision for the negative

1935 Omaha
Resolved, That the United States should adopt a policy tending toward economic self-sufficiency.

Affirmative, Dallas Chapter: E. P. Neilan, Herman W. Kilman, and Lloyd B. Loggins (alternate)
Negative, St. Paul Chapter: Theophil Rusterholz, Dorothy Goth, and Malcolm Cutting (alternate)
Decision for the negative

1936 Seattle
Resolved, That the Constitution should be amended to permit the centralized control of industry.
Affirmative, San Francisco Chapter: Fred Engelbrecht, George T. Blake, and William T. Dunn (alternate)
Negative, Birmingham Chapter: Robert B. Fore, Alton P. Barr, and T. M. Reinhart (alternate)
Decision for the negative

1937 Saint Paul
Resolved, That tax exempt securities should no longer be issued.
Affirmative, Chicago Chapter: Philip McBride, Laurence R. Cooper, and Stuart E. White (alternate)
Negative, New York Chapter: John G. Gmelch, George J. Mayer, and John J. Leane (alternate)
Decision for the negative

1938 Louisville
Resolved, That the United States should adopt and preserve a policy of isolation in international affairs.
Affirmative, Waco Chapter: George E. Frazier, L. M. Alexander, and W. Earl Harrison (alternate)
Negative, Chicago Chapter: Philip Sparling, Laurence R. Cooper, and Frank A. Rakouska (alternate)
Decision for the negative

1939 Grand Rapids
Resolved, That the Federal Government should own and operate all railroads engaged in interstate traffic.
Affirmative, Houston Chapter: E. Lewis Crosson, George A. Holder, and Robert D. Nowlin (alternate)
Negative, Essex County Chapter: James Moffat, Paul J. Hemschoot, and Richard N. Berkefeldt (alternate)
Decision for the negative

1940 Boston
Resolved, That all industry engaged in interstate commerce should be

incorporated under federal laws.
Affirmative, Kansas City Chapter: Bernard Jordan, Maurice Allendoerfer, and Mark Robeson (alternate)
Negative, Philadelphia Chapter: John P. Adams, George W. Geuder, and Edward M. McGrath (alternate)
Decision for the negative

1941 San Francisco
Resolved, That a customs union should be formed by the United States and the republics of Central and South America.
Affirmative, Houston Chapter: E. Lewis Crosson, George A. Holder, and R. R. Story (alternate)
Negative, Baltimore Chapter: David C. Kratzer, Donald H. Wilson, and W. Ramsay Coulson (alternate)
Decision for the negative

1942 New Orleans
Resolved, That the right to levy income taxes be reserved to the Federal Government.
Affirmative, Essex County Chapter: Charles G. Harder and Kenneth J. Vogel
Negative, Tulsa Chapter: Lennis J. Laughlin and Carl W. Wiedemann
Decision for the negative

1943 Chicago (none)

1944 St. Louis (none)

1945 Cleveland (none)

1946 Cincinnati (none)

1947 Detroit
Resolved, That the United States Government should adopt a long term budget policy instead of the present fiscal year policy.
Affirmative, Chicago Chapter: Virgil R. Liptrap, Harvey R. Untiedt, and Walter F. Stift (alternate)
Negative, New York Chapter: Joseph Kremar, Robert A. Potter, and Ronald F. Bogle (alternate)
Decision for the negative

1948 Buffalo
Resolved, That the United States, as a creditor nation, should adopt a policy of tariff for revenue only.
Affirmative, Philadelphia Chapter: R. David Conner, Earl H. Cunerd, and Frank B. Trexler (alternate)

Negative, Los Angeles Chapter: A. W. Danielson, John P. Quinn, and Gordon W. McGinley (alternate)
Decision for the affirmative

1949 PORTLAND

Resolved, That federal control of instalment financing should be removed.
Affirmative, Detroit Chapter: Clarence A. Davis, James E. Adams, and Edward T. Dryer (alternate)
Negative, Los Angeles Chapter: A. W. Danielson, Charles Bowerman, and John A. Minehan (alternate)
Decision for the negative

APPENDIX IX

National Public Speaking Contests

1927 Detroit
Subjects:
A.I.B., Today's Greatest Educational Institution
Education, Not Legislation, the Solution of Economic Problems
He Profits Most Who Serves Best
Looking Ahead Through the A.I.B.
National Tranquility and Stability Safeguarded by A.I.B. Economic Enlightenment
Winners: Horace W. Runkle, Los Angeles Chapter, $500; C. A. Gunderson, Saint Paul Chapter, $250; L. R. Johnson, Tacoma Chapter, $150

1928 Philadelphia
Subject: Building Better Bankers
Winners: B. K. Dorman, Shreveport Chapter, $500; Clarence R. Anderson, Omaha Chapter, $300; W. M. Manley, Detroit Chapter, $200; Lloyd E. Graybiel, Oakland Chapter, $100

1929 Tulsa
Subject: The Best Investment
Winners: Robert L. Gordon, Los Angeles Chapter, $500; H. W. Loewen, Wichita Chapter, $300; Charles R. Strusz, New York Chapter, $200; Varian S. Green, Tacoma Chapter, $100

1930 Denver
Subject: Tools of Progress
Winners: Herman F. Feucht, Denver Chapter, $500; A. Gordon Patterson, Pittsburgh Chapter, $300; Philip A. Dietz, Donahue, Iowa (Tri-City Chapter), $200; Floyd E. Leavitt, Tulsa Chapter, $100

1931 Pittsburgh
Subject: The Banker as a Stabilizer of Business
Winners: Waller C. Brinker Jr., Denver Chapter, $500; John M. Gordon, Los Angeles Chapter, $300; V. B. Pitts, Wichita Chapter, $200; Harold W. Wallgren, Philadelphia Chapter, $100

1932 Los Angeles
Subjects
Prepared talk: The Banker in Our Economic System

Extemporaneous talk: Should a banker take an active part in local and state politics?

Winners: Harold Paul Cunningham, Los Angeles Chapter, $500; Robert M. Hoffman Jr., Chicago Chapter, $300; Dan D. Goodell, St. Louis Chapter, $200; Hays E. Bassett, Dallas Chapter, $100

1933 CHICAGO

Subjects

Prepared talk: Strengthening Public Confidence in Banks

Extemporaneous talk: How can a bank best create good will for itself in its community?

Winners: Erwin V. Holton, San Rafael, California (Marin County Chapter), $500; Hays E. Bassett, Dallas Chapter, $300; E. Wallace Schreiner, Alexandria, Virginia (Washington Chapter), $200; Fred L. Chapman, Minneapolis Chapter, $100

1934 WASHINGTON

Subjects

Prepared talk: Constructive Customer Relations

Extemporaneous talk: Should the banks of America engage in a nationwide cooperative advertising program?

Winners: Ralph T. Keithley, Los Angeles Chapter, $500; Cletus H. Froehle, Saint Paul Chapter, $300; Philip M. von Tobel, Waterbury Chapter, $200; Raymond F. Courtney, Tulsa Chapter, $100

1935 OMAHA

Subjects

Prepared talk: The Bank's Service to the Community

Extemporaneous talk: Should the general public be admitted to Institute study classes?

Winners: Elizabeth Langford, Atlanta Chapter, $500; James W. Dodd Jr., Richmond Chapter, $300; Philip Sparling, Chicago Chapter, $200; J. K. Ewart, Tacoma Chapter, $100

1936 SEATTLE

Subjects

Prepared talk: The Relationship of Bank Credit to Business Recovery

Extemporaneous talk: Shall banks become more active in making real estate loans?

Winners: Frank C. Adams, Seattle Chapter, $500; Cletus H. Froehle, Saint Paul Chapter, $300; John A. Eiseman, Philadelphia Chapter,

$200; Robert Mitzel, Hamilton, Ohio (Buckeye Chapter), $100

1937 Saint Paul

Subjects

Prepared talk: Is the decline in the proportion of commercial loans to deposits a permanent condition, and why?

Extemporaneous talk: Is it possible to avoid another boom such as the one of 1929? If so, how? If not, why not?

Winners: Jason W. Stockbridge, Baltimore Chapter, $500; George S. Allen, Chicago Chapter, $300; James W. Dodd Jr., Richmond Chapter, $200; Robert C. Rutherford, Minneapolis Chapter, $100

1938 Louisville

Subjects

Prepared talk: A Program for the Improvement of a Bank's Relationship to the Public

Extemporaneous talk: What suggestion have you to offer for the building up of business confidence?

Winners: Joseph W. Hanson Jr., New York Chapter, $500; Roland T. Carr, Washington Chapter, $300; Joseph C. McCoy, Long Beach, California (Harbor District Chapter), $200; George S. Allen, Chicago Chapter, $100

1939 Grand Rapids

Subjects

Prepared talk: The Bank's Place in Meeting Today's Credit Needs

Extemporaneous talk: Have changing economic conditions altered the fundamental credit policies by which bankers have been guided?

Winners: Doris G. Parry, Utica Chapter, $500; Roland T. Carr, Washington Chapter, $300; Alex Lindholm, Atlanta Chapter, $200; Thomas W. Utterback, Oklahoma City Chapter, $100

1940 Boston

Subjects

Prepared talk: Chartered Banking—Its Right to Exist

Extemporaneous talk: To what extent should bankers participate in political activities?

Winners: Speed Stone, New York Chapter, $500; Joseph F. Cornelius, Spokane Chapter, $300; Mozart Lovelace, Chicago Chapter, $200; L. K. Arthur, St. Louis Chapter, $100

1941 San Francisco
General theme: Banking in a Democracy
Subtopic for final contest: The Importance of Chartered Banking in Preserving the American Way of Life
Winners: Richard T. Brairton, Rochester Chapter, $500; John W. Clay, Nashville Chapter, $300; W. T. Irwin, Philadelphia Chapter, $200; Mozart Lovelace, Chicago Chapter, $100

1942 New Orleans
General theme: Banks and Changing Credit Conditions
Subtopic for final contest: The Banker's Credit Responsibility in the War Economy
Winners: John W. Clay, Nashville Chapter, $500; Robert A. Potter, New York Chapter, $300; Thomas F. McGuigan, San Francisco Chapter, $200; Adolph M. Nordi, Tacoma Chapter, $100

1943 Chicago
General theme: American Banking Goes to War
Subtopic for final contest: Defending the Home Front Through a Sound Fiscal Policy
Winners: Ray F. Wille, Milwaukee Chapter, $500; Stephen O. Porter, Washington Chapter, $300; G. B. Spence (a correspondence student), Mebane, North Carolina, $200; Thomas F. McGuigan, San Francisco Chapter, $100

1944 St. Louis
General theme: National Economic Policies for the Postwar Period
Subtopic for final contest: Postwar Redistribution of Deposits—Its Effects on American Banking
Winners: Maurice Allendoerfer, Kansas City Chapter, $500; Francis G. Stradcutter, San Francisco Chapter, $300; Forde U. Steele, Cleveland Chapter, $200; Halsey G. Bechtel Jr., New York Chapter, $100

1945 Cleveland
General theme: American Banking in the Transition Period
Subtopic for final contest: American Banking and the Returning Veteran
Winners: Stephen O. Porter, Washington Chapter, $500; George A. Rogers, Boston Chapter, $300; Aard Ady, Portland Chapter, $200; Wilfred G. Bruce, Dallas Chapter, $100

1946 Cincinnati
General theme: Broadening Banking Services to the Community

Subtopic for final contest: How Banks Can Best Develop Their Savings Services

Winners: Francis G. Stradcutter, San Francisco Chapter, $500; Laurence K. Arthur, St. Louis Chapter, $300; Forde U. Steele, Cleveland Chapter, $200; Robert A. Potter, New York Chapter, $100

1947 DETROIT

General theme: The Management of the Federal Debt

Subtopic for final contest: The National Debt—Its Implications for Our Economy

Winners: Robert F. Clark, Spokane Chapter, $500; Orion A. Hill Jr., Oakland Chapter, $300; William C. Dowd, St. Louis Chapter, $200; Albert C. Bartlett, Norfolk-Portsmouth Chapter, $100

1948 BUFFALO

General theme: International Trade

Subtopic for final contest: New Horizons for International Trade

Winners: David R. Berry, New York Chapter, $500; Gayle Gupton, Nashville Chapter, $300; Edward T. Dryer, Detroit Chapter, $200; Hugh O. Ferguson, Pittsburgh Chapter, $100

1949 PORTLAND

General theme: Public Relations

Subtopic for final contest: Public Relations and My Job

Winners: Carl L. Rogers, Los Angeles Chapter, $500; Robert D. Womer, Lebanon, Pennsylvania (Lebanon County Chapter), $300; Audrey V. Cherry, Norfolk-Portsmouth Chapter, $200; Jerry K. Meacham Jr., Columbus Chapter, $100

APPENDIX X

Institute Statistics

(as reported at annual conventions)

Year	Chapters	Study Groups	Class Enrolments	Students	Members	Standard Certificate Holders (Graduates)	Pre-Standard Certificate Holders
1903	24		4,800		6,000		
1904	27		4,960		6,200		
1905	36		5,200		6,500		
1906	42		5,200		6,700	10	
1907	43		5,300		7,011	15	
1908	42		5,400		8,835	18	
1909	53		5,500		10,895	56	
1910	55		5,700		10,942	148	
1911	60		6,000		11,917	320	
1912	75		6,500		12,892	489	
1913	64		7,000		13,587	810	
1914	60		7,500		14,163	1,136	
1915	60		7,500		15,606	1,510	
1916	70		9,000		18,096	1,940	
1917	79		10,000		22,043	2,490	
1918	80		11,000		21,454	2,802	
1919	80		13,500		24,427	3,196	324
1920	85		16,000		32,303	3,420	1,470
1921	92		19,000		44,903	3,755	2,589
1922	111		22,000		50,692	4,391	4,867
1923	139		26,000		51,824	5,197	6,770
1924	160		27,000		54,165	5,902	8,531
1925	170		27,967		55,224	6,809	10,563
1926	186		35,210		57,456	7,960	13,234
1927	192		35,233		58,931	9,375	15,888
1928	192		38,180		61,673	10,431	17,870
1929	200		42,835	36,026	65,300	12,173	19,229
1930	208		44,972	37,359	69,346	13,723	20,758
1931	223		48,778	43,408	74,049	16,006	23,749
1932	232		40,112	34,302	65,351	17,970	25,734
1933	229		35,892	31,018	56,818	20,012	27,663
1934	219		33,734	29,330	50,414	21,238	28,620
1935	219		39,274	32,712	52,406	22,520	29,586
1936	222		39,238	33,045	53,539	23,635	30,563
1937	225		42,947	36,212	58,336	24,627	32,298
1938	237		44,213	37,928	62,584	25,564	32,856
1939	244		44,408	38,636	65,099	26,403	34,450
1940	248	107	46,318	40,573	67,689	27,185	35,919
1941	255	173	44,901	39,487	69,156	28,456	38,036
1942	244	120	40,832	36,902	66,868	29,300	39,529
1943	217	46	26,602	23,430	51,836	29,525	39,708
1944	201	34	24,002	22,455	49,140	29,927	40,382
1945	192	116	26,622	24,866	55,354	30,012	40,540
1946	189	49	23,497	21,913	61,570	30,111	40,747
1947	221	143	40,972	36,212	78,605	30,293	40,988
1948	244	167	46,678	41,208	87,515	30,751	41,474
1949	249	160	45,170	40,220	89,478	30,935	42,472

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